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DESCRIPTION: APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR THE LICENSING, MAINTENANCE, AND SUPPORT OF THE EXISTING SAGE ERP SYSTEM, TOGETHER WITH INTEGRATED THIRD-PARTY SUB-SYSTEMS, FOR A PERIOD OF SIXTY (60) MONTHS

Date 12 October 2026

BID NUMBER: KZNL 3/2026

Company Registration No. _____

	Type of Bidder (Tick One Box)	
	One-person Business/Sole Trader	
	Close Corporation	
	(Pty) Ltd	
	Private Company	
	Partnership	
	Consortium/Joint Venture	
	Co-operative	

RETURN OF PROPOSAL

**Proposal must be deposited in the Bid Box situated at Ground Floor,
KZN Legislature, 244 Langalibalele Street
PIETERMARITZBURG 3201**

**KWA-ZULU-NATAL LEGISLATURE
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**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KWAZULU-NATAL LEGISLATURE					
BID NUMBER:	KZNL 3/2026	CLOSING DATE:	10 NOVEMBER 2026	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR THE LICENSING, MAINTENANCE, AND SUPPORT OF THE EXISTING SAGE ERP SYSTEM, TOGETHER WITH INTEGRATED THIRD-PARTY SUB-SYSTEMS, FOR A PERIOD OF SIXTY (60) MONTHS				
Bid response documents must be deposited in the Bid Box situated on the Ground Floor, KwaZulu-Natal Legislature, 244 Langalibalele Street Pietermaritzburg 3201 THE BID BOX IS AVAILABLE ON THE FOLLOWING DAYS AND TIME: MONDAY TO FRIDAY (EXCLUDING PUBLIC HOLIDAYS) 08:00 TO 16:00					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	MR. N NGCAMU		CONTACT PERSON	NHLAKANIPHO ZULU	
TELEPHONE NUMBER	033 355 7589		TELEPHONE NUMBER	033 355 7542	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	tenders@kznleg.gov.za		E-MAIL ADDRESS	zulun@kznleg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ 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, 2022, 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:

TOTAL BID PRICE: R.....

SECTION A SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

PLEASE NOTE THAT THIS BID IS SUBJECT TO THE SUPPLY CHAIN MANAGEMENT REGULATIONS ISSUED IN TERMS OF THE FINANCIAL MANAGEMENT OF PARLIAMENT ACT, 2009 (ACT NO. 10 OF 2009), THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances may the bid forms be retyped or redrafted.
3. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
4. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
5. Bids submitted must be complete in all respects. (All sections must be completed).
6. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
7. Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
8. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. Where, however, a bid is received open, it shall be sealed. If it is received without a bid number on the envelope, it shall be opened, the bid number ascertained, the envelope sealed and the bid number written on the envelope.
9. A specific box is provided for the receipt of bids, and no bid found in any other box or elsewhere subsequent to the closing date and time of bid will be considered.
10. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
11. No bid submitted by telefax, telegraphic or other electronic means will be considered.
12. Bidding documents must not be included in packages containing samples. Such bids may be rejected as being invalid.
13. Any alteration made by the bidder must be initialed.
14. Use of pencil and correcting fluid is prohibited.
15. Bids will be opened in public as soon as practicable after the closing time of bid.
16. Where practical, prices are made public at the time of opening bids.
17. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
18. All consortia/joint ventures must submit individual company valid tax clearance certificate with pin. (Where required, individual company profiles must be included).
19. If a **compulsory briefing session/site inspection** is held, the bid document must be stamped and signed at the session. Failure to comply will render the bid disqualified at the time of closure of the bid.
20. The Legislature is not bound to accept any of the proposals submitted and reserves the right to cancel the bid at any time and to call for the best and final offers from shortlisted bidders before final selection.
21. The Legislature reserves the right to call for presentations/interviews with shortlisted bidders before final selection.
22. The Legislature reserves the right to appoint more than one service provider.
23. Prices will be deemed as firm for the first year and subject to statutory price increases. (**Note:** Any price escalation will be subjected to approval by the Legislature and will only be affected after the first completed year)
24. All bidders must attach all required annexures.
25. Bidding documents must be completed in accordance to the conditions and bidding rules contained therein.
26. The lowest or any proposal will not necessarily be accepted and the KZN Legislature reserves the right not to consider any proposal, not suitably endorsed or comprehensively completed, as well as the right to accept a proposal in whole or in part.
27. In the event the business is a going concern, it is the obligation of the company to submit proof of such a transaction
28. Registration on National Treasury's Central supplier Database (CSD) is compulsory. For more information on how to register go to www.csd.gov.za . Failure to submit a CSD supplier registration report will result in the disqualification of proposals.
29. If a company is a going concern, the bidder must provide sufficient information and proof of staff complement and infrastructure transfer from the old entity to the new.

30. Bidder must initial each and every page of the bid document.
31. **Compulsory briefing**

BID NUMBER:	KZNL 3/2026	COMPULSORY BRIEFING SESSION	26 OCTOBER 2026 AT 10:00	CLOSING DATE:	10 NOVEMBER 2026	CLOSING TIME:	11:00
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CONTRACT PERIOD: **60 Months**

VALIDITY PERIOD: **120 DAYS**

Tender Briefing session will be held on 26 OCTOBER 2026 at 10:00 via Microsoft teams. Interested bidders are requested to forward their email addresses and name of the company to tenders@kznleg.gov.za before or on the 23 OCTOBER 2026 at 16h00.

SECTION B
REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the National Treasury Instruction Note, all suppliers of goods and services to the State are required to register on the Central Suppliers Database.
2. Prospective suppliers should self-register on the CSD website www.csd.gov.za
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Department may, without prejudice to any other legal rights or remedies it may have;

3.1 cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable bid is accepted or less favourable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to request updating of its information on the Central Suppliers Database, relating to changed particulars or circumstances.**
5. IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THE SUPPLIER WILL BE DISQUALIFIED AT THE BID EVALUATION PROCESS.

SECTION C
DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS
CORRECT AND UP TO DATE

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorized representative)

....., WHO REPRESENTS (state name of bidder)

..... CSD Registration Number **MAAA**.....

AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER DATABASE WITH RESPECT TO THE BIDDER'S DETAILS AND REGISTRATION INFORMATION, AND THAT THE SAID INFORMATION IS CORRECT AND UP TO DATE AS ON THE DATE OF SUBMITTING THIS BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A CAUSE FOR DISQUALIFICATION OF THIS BID FROM THE BIDDING PROCESS, AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY BE AWARDED ON THE BASIS OF THIS BID.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE

DATE:

SECTION D
OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE

N. B.: THIS FORM IS ONLY TO BE COMPLETED WHEN APPLICABLE TO THE BID.

Site/Building/Institution Involved: KwaZulu-Natal Legislature

Bid Number: **KZNL 3/2026**

Goods/Service/Work: **APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR THE LICENSING, MAINTENANCE, AND SUPPORT OF THE EXISTING SAGE ERP SYSTEM, TOGETHER WITH INTEGRATED THIRD-PARTY SUB-SYSTEMS, FOR A PERIOD OF SIXTY (60) MONTHS**

This is to certify that (bidder's representative name) _____

On behalf of (company name) _____

Visited and inspected the site / attended the briefing session on **26 OCTOBER 2026** and is therefore familiar with the circumstances and the scope of the service to be rendered.

Signature of Bidder or Authorized Representative
(PRINT NAME)

DATE: ____/____/____

Name of Departmental or Public Entity Representative
(PRINT NAME)

Departmental Stamp with Signature

SDB 3

**SECTION E
PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

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

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

Name of bidder..... Closing Time 11:00	Bid number..... Closing date.....
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OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	DESCRIPTION	Price
1	Year 1	
2	Year 2	
3	Year 3	
4	Year 4	
5	Year 5	
SUB-TOTAL		
VAT AT 15%		
GRAND TOTAL (BID PRICE IN RSA CURRENCY WITH ALL APPLICABLE TAXES INCLUDED)		

Required by:

KwaZulu-Natal Legislature

- At:

KwaZulu-Natal

SECTION F 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 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:

.....

.....

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.

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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.

SECTION G 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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$
Where		
Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmin	=	Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$	or	$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$
Where		
Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmax	=	Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

and that the highest acceptable tender will be used to determine the applicable preference point system; or

- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)	Supporting Documents
33% Women-owned	5 points		ID of the directors of the companies with CK Document of the company, BBBEE certificate.
Company parameters must be within KwaZulu-Natal	15 points		Proof of residence (lease, CSD report, water bill of the company, letter from the councilor etc.)

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]

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:	
	
	
	

SECTION H AUTHORITY TO SIGN A BID

The bidder must indicate the enterprise status by ticking the appropriate box hereunder.

(I) CLOSE CORPORATION	(II) COMPANIES	(III) SOLE PROPRIETOR	(IV) PARTNERSHIP	(V) CO-OPERATIVE	(VI) JOINT VENTURE / CONSORTIUM	
					Incorporated	
					Unincorporated	

I/We, the undersigned, being the Member(s) of Cooperative/ Sole Owner (Sole Proprietor)/ Close Corporation/ Partners (Partnership)/ Company (Representative) or Lead Partner (Joint Venture / Consortium), in the enterprise trading as:

.....

hereby authorise Mr/Mrs/Ms

acting in the capacity of

whose signature is

to sign all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

NAME	ADDRESS	SIGNATURE	DATE

(If the space provided is not enough, a separate list should be attached)

Note:

Members of the enterprise must complete this form in full according to the type of enterprise, authorising the signatory to sign all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

Note: In a case of a Sole proprietor, a director may appoint himself/herself if they will be the one signing all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

SECTION I
SPECIAL CONDITIONS OF THE CONTRACT
PART A - REQUIREMENTS FOR ALL KZN LEGISLATURE BIDS

1. ACCEPTANCE OF BID

- 1.1 The KwaZulu-Natal Legislature (KZN Legislature) is under no obligation to accept the lowest or any bid.
- 1.2 The financial standing of bidders and their ability to manufacture or to supply goods or render services may be examined before their bids are considered for acceptance.

2. RESERVATION OF RIGHTS

The KZN Legislature reserves the right to-

- a) invite bidders to make presentations regarding any aspect(s) of the bid before final selection;
- b) appoint more than one service provider;
- c) call for the best and final offers from shortlisted bidders before final selection;
- d) verify information and documentation of any bidder;
- e) carry out site inspections, product evaluations or explanatory meetings to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid;
- f) enter into price negotiations with the preferred bidder;
- g) not to consider any proposal not suitably endorsed or comprehensively completed as well as the right to accept a proposal in whole or in part;
- h) cancel and/ or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and /or after the preferred bidder(s) have been notified of their status as such.

3. BID PRICING

All bid prices should remain firm for the contract duration. It is the responsibility of the Bidder to consider all costs and all possible escalations when compiling bid prices. Once the bid is awarded, no request for contract price escalation will be considered except for contract price escalations as a result of statutory increases (e.g., increases in VAT or the minimum wage applicable to the bidder or the services.)

4. VAT

- 4.1. Bid prices must be inclusive of VAT.
- 4.2. A bidder must submit a tax invoice in respect of payments in terms of the contract. The tax invoice shall be in the currency of the Republic of South Africa and shall contain the following particulars:
- (a) The name, address and registration number of the supplier;
 - (b) the name and address of the recipient;
 - (c) an individual serialized number and the date upon which the tax invoice is issued;
 - (d) a description of the goods or services supplied;
 - (e) the quantity or volume of the goods or services supplied;
 - (f) either –
 - (i) the value of the supply, the amount of tax charged and the consideration for the supply; or
 - (ii) where the amount of tax charged is calculated by applying the tax fraction to the consideration, the consideration for the supply and either the amount of the tax charged or a statement that it includes a charge in respect of the tax and the rate at which the tax was charged.

5. CHANGE OF ADDRESS

Bidders must advise the KwaZulu-Natal Legislature should their address (domicilium citandi et executandi) details change from the date of bidding.

6. COMMUNICATION

All correspondence about this bid must be addressed to:

**THE HEAD OF SUPPLY CHAIN MANAGEMENT
KZN LEGISLATURE
244 LANGALIBALELE STREET
PIETERMARITZBURG
3201**

7. COMPLETION OF SPECIFICATION

Where specifications are designed in such a way that responses would be required from bidders by the completion of schedules or forms, these schedules or forms must be completed and submitted as part of the bid document.

8. COMPLETENESS OF BID

Bids will only be considered if completed correctly and accompanied by all relevant certificates and any other necessary applicable information.

9. OTHER CONDITIONS OF BID

- 9.1. The successful bidder must be in a position to assume duty on the date stipulated in the letter of award to the bidder.
- 9.2. No bid received by telegram, telex, facsimile or email will be considered.
- 9.3. The bidder's response to the bid shall be made strictly according to the bid specification. No alternative offers will be considered.
- 9.4. Bidders must provide the following particulars about themselves as part of the bid, on their company letterhead:
 - (a) Details of their Headquarters
 - (b) Details of their Regional Office, if any
- (c) Name, address and telephone number of their bankers together with their bank account number.
- (d) The names, identity numbers and street addresses of all partners, in cases where the bidder is a partnership.
- 9.5. In cases where a bidder enters business for the very first time, the following particulars shall be provided:
 - (a) By whom, or with whose assistance was the business plan drafted?
 - (b) By whom, or with whose assistance were the bid prices calculated?
 - (c) Whose advice is relied on?
 - (d) Who will provide financial support?

a. The successful Bidder must–

- a) comply with all specifications and standards outlined in the specifications;
- b) comply with all legislation, South African National Standards (SANS) and best industry practices applicable to the successful Bidder and the rendering of the services or the supply of the goods;
- c) use and adopt reasonable professional techniques and standards in providing
- d) the services;
- e) monitor project implementation against set targets, costs and time frames;
- f) provide the services with all due care, skill and diligence;
- g) ensure continuity of services to the KZN Legislature;
- h) ensure that key personnel, its employees or engagement partners observe confidentiality and do not use any information obtained pursuant to this contract for any reason other than for the proper discharge of the bidder's obligations under this contract. The bidder must have systems in place to monitor compliance in this regard;
- i) where appropriate, appoint a project manager, who must, in addition to managing the project, **serve as** a single point of contact between the KZN Legislature and the successful bidder;
- j) ensure that its employees involved in the execution of the contract are suitably qualified, properly skilled, experienced, trained, and competent to render the services. The KZN Legislature may interview any person appointed by the successful Bidder to execute the contract to test their understanding of the key deliverables in terms of the contract;
- k) ensure that it has all the resources necessary to fulfil its obligations in terms of the contract and will not be entitled to any resources from the KZN Legislature to assist it in fulfilling its obligations;
- l) upon notice by the KZN Legislature, revise or amend any report that the KZN Legislature is not satisfied with, within a time period specified by the KZN Legislature in that notice; and
- m) immediately upon receipt of a notice from the KZN Legislature, promptly re-execute any portion of the services or replace any goods that are found to be in non-conformity with the contract. The successful Bidder is liable to the KZN Legislature for any other cost, damages or losses incurred or suffered by the KZN Legislature as a result of such non-conformity.

10. PAYMENT CONDITIONS

- a) The Service Provider must submit an invoice for any payment to be made. Subject to paragraph 10.2, the Office will pay the Service Provider, within thirty days of the Service Provider submitting an invoice for payment.
- b) Payment is subject to the satisfactory discharge of all obligations of the Service Provider and delivery of the goods or services to the KZN Legislature in terms of the contract. The KZN Legislature will not make payment to the Service Provider in the event the Service Provider fails to satisfactorily perform any of its obligations in terms of the contract.
- c) Payments will be made by an electronic transfer, into the Service Provider's Bank Account as appearing on the verified CSD report and invoice of that Service Provider;
- d) No interest shall be payable in the event of a dispute nor accrue on any payments due during a period of dispute;
- e) The KZN Legislature may withhold, deduct or set off from any monies due and owing to the Service Provider either in terms of this contract or any other contract that the Service Provider may have with the KZN Legislature, an amount equal to the amount of any outstanding claims that the KZN Legislature may have against the Service Provider for damages, costs or any other indebtedness arising out of this contract: Provided that the KZN Legislature will provide the Service Provider with written notice of its intention to offset, supported by reasonable detail of the actual damages, costs or indebtedness incurred by the KZN Legislature. A certificate of indebtedness signed by the Chief Financial Officer of the KZN Legislature, reflecting the amount due and payable shall be sufficient and conclusive proof of the contents and correctness thereof for the purposes of with-holding, deduction or set off by the KZN Legislature or payment by the Service Provider or for provisional sentence, summary judgement or any other proceedings against the Service Provider in a court of law and shall be valid as a liquid document for such purposes.
- f) In the event that the KZN Legislature institutes legal action against the Service Provider for any matter in connection with the contract, the Service Provider will be liable to pay the KZN Legislature's legal fees on an Attorney and own client scale.

11. LIABILITY

The Service provider is responsible and liable for-

- a. the conduct, acts and omissions of its employees and the service provider's agents or representatives. The service provider indemnifies the KZN Legislature against any claims whatsoever arising from its conduct and or the conduct of its employees, representatives or agents; and
- b. injury to any person, loss or damage suffered by the KZN Legislature, which is occasioned by any unauthorized act, omission, negligence, breach of this contract or breach of any legislation or statutory duty by the service provider or the service provider's employees, agents or representatives. Under such circumstances, the service provider must, at its own expense, make good the loss or damage on demand and on the terms of the KZN Legislature.

12. WARRANTIES AND REPRESENTATIONS

The Service Provider warrants that-

- a) the Service Provider has the capacity and resources to render the services as specified;
- b) on delivery of the goods or services, the goods or the services will be suitable for the purpose stipulated in this contract;
- c) the goods or services will comply with these specifications. Any unilateral departure by the Service Provider from such specifications or standards is a breach of the contract;
- d) no fact or circumstances exist that may materially affect its capacity to perform its obligations under this contract;
- e) it is the owner of, or has a good title to all goods or services delivered in terms of this contract; and
- f) it shall at all times have, and comply with, all legal requirements and with the terms and conditions of all necessary licenses, certificates, authorisations and consents required under the laws of the Republic of South Africa.

13. TERMINATION OF CONTRACT

13.1. The KZN Legislature reserves the right to disregard a bid or cancel the contract with the service provider if the KZN Legislature has reason to believe that the Bidder or service provider:-

- a. has failed to comply with any legal or policy requirement in order to enter into a valid contract with the KZN Legislature;
- b. has acted in a fraudulent manner or in bad faith in obtaining this contract;
- c. after notification that the bid has been conditionally accepted, either fails, refuses, neglects or causes undue delays when called upon to sign the contract and service level agreement prepared by the KZN Legislature;
- d. has entered into any arrangement or agreement with any other natural or corporate person, whether legally binding or not, to bid at an agreed price.
- e. breaches any applicable South African National Standards (SANS), legislation or policy; or

- f. failed to fulfil its contractual obligations in terms of the contract.

13.2. The KZN Legislature may immediately terminate the contract without any notice to the service provider if any of the following circumstances occur or exist:

If the service provider –

- a. commits an act of professional misconduct or professional or technical incompetence, which is substantial and serious;
- b. commits or participates in any unlawful, dishonest or unethical act in the performance of its obligations under this contract; or
- c. repeatedly breaches the contract (two or more times) during the contract period.

14. UNSATISFACTORY PERFORMANCE

14.1. Unsatisfactory performance occurs when performance is not in accordance with the contract conditions.

14.2. Subject to the KZN Legislature's right to terminate the contract with or without notice, the KZN Legislature shall warn the service provider by way of a written breach notice that action will be taken in accordance with the contract conditions unless the service provider complies with the contract conditions and delivers satisfactory supplies or services within the time specified in the notice. If the unsatisfactory performance persists, despite the said breach notice, the KZN Legislature will act in accordance with the breach and termination provisions applicable to the Bid, which may include termination of the contract or enforcement of the contract and a claim for damages that was suffered as a result of the non-performance of the Service Provider.

15. JOINT VENTURES

15.1. Should this bid be submitted by a joint venture; a certified copy of the joint venture agreement must accompany the bid document before the closing date and time of the bid. The joint venture agreement must clearly specify the percentage of the contract to be undertaken by each company participating therein.

15.2. Failure to submit the joint venture Agreement and required supporting documents as per this bid's special instructions will result in preference points not being allocated to all companies participating in the joint venture.

16. EXECUTION CAPACITY

The bidder will be required to provide an efficient and effective service. Therefore, the bidder is required to submit proof that he/she has the required capacity to execute the contract tendered successfully. The bidder must therefore supply references or state his/her experience as a company to undertake the contract. References of past experience of owners/employees of new entities must accompany the bid document.

17. DETAILS OF CURRENT CONTRACTS HELD BY THE BIDDER

The bidder must furnish the following details of all current contracts, if any:

- (i) Date of commencement of contract/s;
- (ii) Expiry date/s;
- (iii) Value per contract; and
- (iv) Contract details. That is, with whom held, phone number and address/s of the company.

18. TAX OBLIGATIONS

18.1. Bidders must be tax compliant when submitting bids to the KZN Legislature and must remain compliant with all applicable tax legislation for the entire contract term. It is a condition of this bid that the tax matters of the successful bidder(s) be in order, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations.

18.2. The Bidder's Tax Clearance Certificate and Pin must be submitted with the bid before the closing date and time of the bid.

18.3. Each party to a Joint Venture/Consortium must submit a valid Tax Clearance Certificate and Pin together with the bid at the closing date and time of the bid.

18.4. It is an offence to deregister for VAT purposes after an award has been made by the Legislature, and in the event that the Legislature establishes that a supplier or service provider has deregistered after an award has been made, and continues to claim VAT, the Legislature may summarily cancel the contract and prohibit the offender from doing any further business with the Legislature in accordance with the KZN Legislature SCM Policy.

19. REGISTRATION WITH STATUTORY BODIES

Bidders must ensure that their employees are registered for both the Compensation Fund and Unemployment Insurance Fund (UIF),

where applicable and must ensure that they abide by all relevant and applicable legislation/s and all applicable regulations pertaining to the required services.

20. EQUAL BIDS

- 20.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- 20.2 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

21. LATE BIDS

- 21.1 Bids are late if they are received at the address indicated in the bid documents after the closing date and time.
- 21.2 A late bid shall not be considered and, where practicable, shall be returned unopened to the bidder. No late bids are accepted.

22. NOTIFICATION OF ADJUDICATION OF BIDDER AND ADVERTISING OF RESULTS

- 22.1 Notification of the Adjudication of a bid shall be in writing by a duly authorized official of the KZN Legislature.
- 22.2 Bid results will be advertised on the same media platforms used for the advertisement of the tender invitation.

23. AWARD GRIEVANCES

Bidders aggrieved by the outcome of the bid award by the KZN Legislature may appeal to the Accounting Officer in the manner prescribed by the Supply Chain Management Policy of the KZN Legislature.

24. VALIDITY PERIOD AND EXTENSION THEREOF

The validity (binding) period for the bid will be 120 days from the close of the bid. However, circumstances may arise whereby the KZN Legislature may request bidders to extend the validity (binding) period. Should this occur, the KZN Legislature will request bidders to extend the validity (binding) period under the same terms and conditions as originally tendered for by bidders. This request will be made before the expiry of the original validity (binding) period.

25. SECURITY VETTING:

Security vetting will be carried out by the KZN Legislature on all personnel involved in the contract.

26. BID ACCEPTANCE AND CONTRACT

The preferred bid will be accepted subject to the condition that the preferred bidder signs a contract and service level agreement with the KZN Legislature within a specified time frame. This bid, together with its terms, conditions and specifications, the bid response (excluding any counter conditions of the bidder), and the GCC will form part of the contract between the KZN Legislature and the successful bidder.

27. CESSION AND ASSIGNMENT

The bidder shall not, after the bid has been awarded, assign nor cede the contract or agreement or any part thereof or any interest therein to any other party without the prior written consent of the Accounting Officer of the Legislature.

28. AMENDMENT OF CONTRACT

Any amendment to the contract between the parties must always be done in writing and shall be signed by both parties, subject to legal vetting by the Legal Services of the KZN Legislature of any amendment to the contract before it is signed.

29. EXTENSION OF CONTRACT

- 29.1. It is the normal policy that contracts are not extended. However, circumstances may arise whereby an extension of the contract may be considered and the KZN Legislature reserves the right to approach existing service provider(s) to extend the contract for such period agreed to, subject to clause 29.2.
- 29.2. A contract may only be extended for a period determined by the Accounting Officer from time to time, however, such period may not exceed the initial contract period.

30. IRREGULARITIES AND CONFLICTS OF INTEREST

Bidders are encouraged to advise the KZN Legislature timeously of any possible irregularities which might come to their notice in connection with this or other contracts. Bidders must not have or undertake duties or interests that create or might reasonably be anticipated to create an actual or perceived conflict with its duties and interests in executing the contract. Bidders must identify any potential conflicts and bring them to the attention of the KZN Legislature.

PART B - SPECIAL REQUIREMENTS OF THIS BID

1. CONTRACT PERIOD

The contract period: 60 Months

2. REFERENCES

A list of references must accompany this bid. Particulars shall be submitted regarding similar agreements completed successfully or of projects in which the bidder is currently engaged (Refer to Evaluation Criteria).

3. ALLOCATION OF WORK

In the event a panelist is allocated work and hours are depleted before a case is finalized , that panelist would be granted an extension until the case is finalized.

ANNEXURE A

BID SPECIFICATION

OR

TERMS OF REFERENCE:

**APPOINTMENT OF A SUITABLE SERVICE PROVIDER
FOR THE LICENSING, MAINTENANCE, AND
SUPPORT OF THE EXISTING SAGE ERP SYSTEM,
TOGETHER WITH INTEGRATED THIRD-PARTY SUB-
SYSTEMS, FOR A PERIOD OF SIXTY (60) MONTHS**

KZNL 3/2026

SPECIFICATION FOR APPOINTMENT OF A SUITABLE SERVICE PROVIDER FOR THE LICENSING, MAINTENANCE, AND SUPPORT OF THE EXISTING SAGE ERP SYSTEM, TOGETHER WITH INTEGRATED THIRD-PARTY SUB-SYSTEMS, FOR A PERIOD OF SIXTY (60) MONTHS

1. INTRODUCTION

The KwaZulu-Natal Provincial Legislature (KZNL) is a constitutional institution established in terms of Chapter 6 of the Constitution of the Republic of South Africa, 1996. The KwaZulu-Natal Legislature's core mandate is to exercise oversight over government departments and provincial state-owned entities, to make laws, and to ensure that the public participates in these processes. The legislature is embarking on its digital journey to modernise the institution by enhancing legislative efficiency through the utilisation of digital platforms to support the provincial legislature's mandate.

KZNL is currently supported by an enterprise resource planning (ERP) environment comprising Sage 200 Evolution and Sage 300 People, delivered through the GovERP portal—a modern web interface that provides unified access to all ERP modules. This system supports the legislature's financial management, human capital management, procurement, budgeting, and reporting functions.

2. PURPOSE OF THE BID

The purpose of this bid is to invite suitably qualified and experienced bidders to submit proposals for the provision of licensing, maintenance, upgrades, and support services for the KwaZulu-Natal Legislature's enterprise resource planning system, known as "IBHODWE." The IBHODWE solution comprises Sage 200 Evolution for finance and SCM, Sage 300 People for payroll and human capital management, the GovERP web portal supplied by CCG Systems (Pty) Ltd, and all associated integrated sub-systems. The successful bidder will be responsible for providing annual software licenses for all systems, ongoing functional and technical support, and all required system upgrades and enhancements for a period of sixty (60) months.

3. BACKGROUND AND CURRENT SYSTEM ENVIRONMENT

The legislature operates the IBHODWE as its integrated ERP system. The solution is architected as follows:

- Sage 200 Evolution serves as the system of record for the general ledger, accounts receivable, accounts payable, inventory, order entry, and related financial and supply chain functions, licensed for eighty (80) users at the time;
- Sage 300 People provides payroll and human capital management for a complement of approximately three hundred (300) employees, including People Self Service (ESS);
- GovERP, a modern web-based portal that extends the underlying Sage platforms through browser-based access, workflow automation, self-service functionality, reporting, and integration services. GovERP operates directly against the existing Sage databases, with no intermediate data warehouse or replication layer;
- Identity and access are managed centrally through Azure Active Directory B2C / Microsoft Entra ID, with single sign-on (SSO) and multi-factor authentication (MFA), applying Zero Trust principles;
- Document management is provided through the GovERP built-in Document Management System (DMS), with attachments retained on South African data storage;
- Payroll journals are posted from Sage 300 People to Sage 200 Evolution through the GL integration service, and pension data is exchanged with the GEPP via scheduled secure file transfer (SFTP);
- The solution is hosted in the Legislature's Pietermaritzburg (PMB) data centre across dedicated production and test environments, comprising separate application (API) and database servers for Sage 200 Evolution, Sage 300 People and the GovERP HCM components, with Microsoft SQL Server as the database platform. High availability is provided through SQL Server Always-On Availability Groups, with production databases on SSD storage in a RAID 10 configuration and transaction logs separated onto high-performance storage. Detailed architecture documentation, including server and network configuration, will be made available to the successful bidder subject to a signed non-disclosure agreement.

4. NAMED HUMAN RESOURCES REQUIRED FOR THIS SERVICE

The successful service provider must have a team dedicated to promptly responding to queries logged with its support desk. The team should consist of the following:

- A Project Manager/Service Delivery Manager assigned to the project;

- Technical Leads with the requisite know-how in all deployed modules of
 - Sage 200 Evolution,
 - Sage 300 People and
 - GovERP portal;
- One or more consultants specialising in each of the deployed Sage 200 Evolution, Sage 300 People, and GovERP modules; and
- A dedicated Help Desk Officer, certified in ITIL or service management, with a minimum of five (5) years' experience as a help desk manager in ERP support covering the HCM, Finance, and SCM modules of the ERP solution.

The above specification must be further demonstrated by bidders through the inclusion of a list of employees (organogram) who will handle the project, along with their competencies, as evidenced by attached CVs and certified qualification certificates.

5. SCOPE OF SUPPORT REQUIREMENTS

The prospective service provider is required to provide comprehensive licensing, maintenance, upgrade, and support for the IBHODWE ERP solution—Sage 200 Evolution, Sage 300 People, the GovERP portal, and their integrated third-party subsystems for a period of sixty (60) months. Bidders who are unable to provide maintenance support for any third-party subsystems themselves must enter into agreements with the relevant service providers or software vendors and submit a consolidated bid.

The modules that are currently licensed and operational within the Legislature are as follows:

5.1 Sage 200 Evolution Core Modules (80 Users)

- General Ledger, including GL Master / Sub Accounts and GL Segmented Accounts
- Accounts Receivable
- Accounts Payable
- Order Entry
- Inventory (Basic Inventory, Segmented Inventory, and Inventory Optimisation)
- Bank Manager 2 (Bank file and bank statement import, export and reconciliation)
- Voucher Management (electronic voucher capture and approval)
- Delivery Management
- Contact Management and Contact Management Premium
- Procurement (SIC)
- Report Writer / Report Designer
- Sage Intelligence Centre – Standard
- Audit Tool (transaction audit trail and change tracking)
- Information Alerts (event-driven notifications)
- SDK Connector (integration interface for external systems)
- Mobility (mobile access to selected Evolution functions)
- Job Costing

The above modules must be maintained on the latest supported versions and remain workflow-enabled for approvals and automation through the GovERP Workflow Engine.

5.2 Sage 300 People – HR & Payroll Modules (±300 Employees)

- Job Profiling
- Personnel Management (employee master data and HR administration)
- Payroll (earnings, deductions, and company contributions; main run/supplementary run/weekly run)
- Leave Management
- Performance Management
- Job Management and Job Costing

- Skills and Employment Equity
- People Self-Service (employee and manager self-service, including job requisition)
- Sage Intelligence Connector / Reporting Hub Connector (Integration Point to from Sage 300 to GovERP Portal)
- General Ledger Integration (posting of payroll journals to Sage 200 Evolution)

5.3 GovERP Portal Modules

The GovERP portal exposes the full functional scope of the underlying Sage platforms through a modern, browser-based interface, without data migration. The following GovERP modules are in use and must be licensed, maintained, and supported.

ID	Module	Description
FIN	GovERP – Finance	Core finance modules: general ledger, debtors, creditors, cash management, and financial reporting.
P2P	GovERP – Procure to Pay	Electronic procurement (Procure-to-Pay) services. Goods receipt, purchase order generation, and invoice processing.
ASS	GovERP – Assets (AMS360)	Asset register management, depreciation, disposals, and GRAP-compliance reporting.
HCM	GovERP – HCM	Human Capital Management enhancements to Sage 300 People: travel expenses, back-pay calculator, employee onboarding, GL integration, promotions, terminations, and reinstatement actions. GEPP, Annual Leave, employee equity, Audit reports, personnel onboarding and Part 6 Reports.
REP	GovERP – Reporting	Centralised reporting hub with configurable dashboards.
EPR	GovERP – E-Procurement	End-to-end procurement workflow from requisition through purchase order, request for quotation, creation of requisition and reporting, and Supplier database.
WFE	GovERP – Workflow Engine	Configurable business process automation with approval hierarchies, escalation rules, and audit trails.
CON	GovERP – Contracts	Contract lifecycle management: creation, milestones, amendments, expiry alerts, and SCM compliance tracking.
BUD	GovERP – Budget	Budget preparation, adjustments, and real-time budget versus actual monitoring across all vote codes.
DMS	GovERP – DMS	Built-in Document Management System, with attachments retained on South African data storage.

5.4 Integration and Identity Services

The successful bidder must maintain and support the full integration landscape of the IBHODWE solution, including:

- Real-time integration to the GovERP portal and the Sage 200 Evolution and Sage 300 People databases (API / SQL and SDK Connector);
- The batch GL integration posting payroll journals from Sage 300 People to Sage 200 Evolution per pay run;
- Identity federation with Azure Active Directory B2C / Microsoft Entra ID, including single sign-on (SSO) and multi-factor authentication (MFA);
- Document management integration between GovERP modules and the DMS (Azure Blob Storage, South African region);
- Scheduled secure file exchange (SFTP) of pension data with the Government Employees Pension Fund (GEPP); and
- Encryption in transit (TLS/SSL) and token-based authentication for all on-premises API access, in line with the Zero Trust design of the environment.

5.5 Environments

Support must cover both the production and test environments hosted in the legislature's Pietermaritzburg data centre, including all Sage 200 Evolution, Sage 300 People, and GovERP HCM application (API) servers, as well as all database servers. The successful bidder must ensure that the test environment is kept synchronised with production to support upgrades, patches, user acceptance testing, and change requests before promotion to production.

6. DESCRIPTION OF SUPPORT SERVICE REQUIRED

The successful bidder is expected to provide functional and technical support to the internal support team and the users of the Sage 200 Evolution ERP system, Sage 300 People, the GovERP portal, and all sub-modules listed in Section 4. Support must be rendered through a formal service desk with query logging, prioritisation, escalation and resolution tracking, and monthly service-level reporting to the legislature.

7. ADDITIONAL REQUIREMENTS

7.1 Training / Skills Transfer

The legislature favours a train-the-trainer method to ensure internal capacity to operate and support the systems. The successful bidder is therefore expected to provide comprehensive Super User (SU) training that will place the SUs in a position to take over first-line (functional) support and the internal system administration team in a position to take over second-line (technical) support, progressively over the contract period. The internal support teams must eventually become independent of the service provider for functional support, thereby reducing dependency on the service provider to operate the system. Site visit hours may also be used for on-site training, where possible.

7.2 Additional Reports

The successful bidder must develop various exceptions and other reports as required, particularly during the Auditor-General of South Africa (AGSA) audit periods. System audit reports, such as, but not limited to, the following, are mandatory:

- Event-logging reports of activities undertaken by system administrators for all the modules listed above, extractable in a format that is clear and categorised by activity type, date and action owner;
- Failed logon attempts, categorised by activity type, date and action owner;
- Password resets, categorised by activity type, date and action owner;
- System-generated program change control logs;

7.3 Change Control

The Legislature may, at times, request modifications to any of the systems listed above. The successful bidder must have the expertise and access to the source code to effect such changes or must conclude agreements with the listed systems' vendors to provide such services as and when requested by the Legislature.

The successful bidder is expected to adhere to the Legislature's ICT Change Management Policy for any requests that may lead to modifications to the core ERP system, the GovERP portal, or third-party systems, and all changes must be applied and tested in the test environment before promotion to production.

7.4 Licence and SSL Certificate Management

The successful bidder must accept that they will be the Legislature's licence management agent for the core ERP systems (Sage 200 Evolution and Sage 300 People), the GovERP portal and all third-party systems, and thus takes responsibility to alert the Legislature at least three (3) months before the expiry of the licence for each of the systems listed. The successful bidder will also be responsible for alerting the Legislature to any licence implications arising from any modification to the software or host hardware upon receiving notification of, or a request for, such a change. Payment of licence fees will be made through the successful bidder for all the systems listed in this bid. Bidders are thus expected to provide a costing schedule of licence fees for the contract period. It is preferable that the bidder negotiate fixed licence costs over the duration of the contract. If that is not possible, bidders must note that the Legislature has a limit to which it can vary the contract in terms of applicable procurement prescripts and its Supply Chain Management Policy.

8. EXCLUSIONS

The following are excluded from the scope of this bid:

- Windows server and desktop management support;
- User security management support (network/domain level);

- Network management support; and
- Microsoft licensing – Microsoft SQL Server and Windows Server.

9. COMPLIANCE

The successful bidder must render all services in compliance with the governance, security, and regulatory frameworks against which the IBHODWE architecture is governed:

- Compliance with ICT governance principles – COBIT 2019 (governance and management of enterprise IT) and ITIL 4 (IT service management and operational practices);
- Compliance with ISO/IEC 27001:2022 information security management principles, including Zero Trust access practices;
- Compliance with the Protection of Personal Information Act (POPIA, 2013) in respect of all employee, supplier, and payroll data;
- Compliance with Generally Recognised Accounting Practice (GRAP) and National Treasury public-sector financial management and reporting requirements;
- Compliance with the ICT policies of the Legislature, as amended from time to time, including specific compliance with user management and vendor access policy directives;
- Compliance with Microsoft SQL Server database standards and controlled database access;
- Active Directory / Microsoft Entra ID client integration, with SSO and MFA maintained for all portal access; and
- Preservation of the data sovereignty design of the solution: all financial, supply chain, payroll, and human resources transactional data must remain on-premises within the legislature environment.

10. SERVICE LEVELS AND PERFORMANCE

The service provider shall guarantee the following minimum system availability levels:

Environment	Required Uptime	Measurement Window	Exclusions
GovERP Production	99.5% per month	07:00–17:00 SAST, Mon–Fri	Planned maintenance windows (pre-approved)
Sage 200 Evolution (Production)	99.5% per month	07:00–17:00 SAST, Mon–Fri	Planned maintenance windows
Sage 300 People (Production)	99.5% per month	07:00–17:00 SAST, Mon–Fri	Planned maintenance windows
UAT/Development Environment	95% per month	Business hours	As agreed with KZNL ICT

10.1 Incident Severity and Response Matrix

Priority	Definition	Initial Response	Resolution Target
P1 – Critical	Complete system outage; production inaccessible; payroll or financial processing blocked	30 minutes	4 business hours
P2 – High	Major module unavailable; significant functionality impaired, affecting multiple users	2 business hours	8 business hours
P3 – Medium	Single module or user functionality impaired; workaround available	4 business hours	3 business days
P4 – Low	Minor issue; cosmetic defects; enhancement requests; documentation queries	1 business day	5 business days

Note: Business hours are defined as 07:00 to 17:00 SAST, Monday to Friday, excluding South African public holidays and any officially gazetted KZNL non-working days. P1 incidents require immediate escalation to the KZNL CIO and designated service provider management contact.

10.2 Reporting Requirements

The service provider shall submit the following reports to the KZNL CIO or nominated representative:

Report	Frequency	Submission Deadline
Monthly Support & Incident Report	Monthly	5th working day of the following month
SLA Compliance Report	Monthly	5th working day of the following month
License Status and Renewal Forecast	Quarterly	First working day of each quarter
System Health and Capacity Report	Bi-annually	July and January
Annual Maintenance and Roadmap Report	Annual	As agreed with KZNL

11. BID EVALUATION CRITERIA

The following criteria are mandatory for all service providers. Failure to fully comply with all the items below will result in disqualification.

ITEM	CRITERIA MANDATORY DOCUMENTARY REQUIREMENTS	EVIDENCE	COMPLIANCE (YES/NO)
1.	Proof of accreditation as an authorised Sage Business Partner for Sage 200 Evolution and Sage 300 People.	Certificates/Letter	
2.	Evidence of accreditation as an authorised GovERP support partner or a letter from the Original Equipment Manufacturer (OEM) confirming that the vendor can support GOVERP.	Certificate/Letter	
3.	Bidders must demonstrate relevant experience in providing Sage 200 Evolution, Sage 300 People, and GovERP support services to at least one (1) customer within the past five (5) years.	Reference Letter	

11.1 EVALUATION CRITERIA: FUNCTIONALITY

Bidders must score a minimum of eighty (80) points on functionality to proceed to the next stage of evaluation. Bids that meet the minimum functionality threshold will thereafter be evaluated on price and specific goals in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Regulations.

No.	Requirement	Evaluation Criteria	Points
1.	Bidder's relevant experience in supporting Sage 200, Sage 300, and GovERP systems.	Reference letter per customer confirming Sage 200 Evolution, Sage 300 People and GovERP licensing, support, and maintenance. • Five (5) or more relevant reference letters of contracts of similar services = 25 points • Four (4) relevant reference letters = 20 points • Three (3) relevant reference letters = 15 points	25

No.	Requirement	Evaluation Criteria	Points
2.	Approach and methodology for licensing, maintaining, and supporting Sage 200, Sage 300, and GovERP systems.	The service provider must submit a proposal outlining how the required Sage and GovERP support services will be delivered in the legislature based on the information provided. The proposal must include: • The proposed support methodology, service model, or framework • Resource allocation and management (Organogram) • Project monitoring and progress reporting • Query resolution and technical support mechanisms, including service desk processes and response and resolution times • Change management, change control, and all other support requirements	20
3.	Experience, qualifications, and certification of the bidder's Lead Consultants. Bidder must submit CVs for all five resources, failure to submit all five will result in your bid being disqualified.	3.1 Service Delivery Manager and a Dedicated Help Desk Officer An ICT qualification and service management certification with a minimum of 3 years of experience in ERP service management. Certified in ITIL or service management, with a minimum of five (5) years' experience as a help desk manager in ERP support covering the HCM, Finance, and SCM modules of the ERP solution 3.2 Lead Consultant: Finance A finance qualification, Sage 200 Evolution Product Consultant certification, and at least five (5) years' experience as a lead consultant implementing and supporting customised Sage 200 successfully in a corporate or public-sector environment. 3.3 Lead Consultant: SCM A SCM/Finance qualification, Sage 200 Evolution Product Consultant certification, and at least five (5) years' experience as a lead consultant implementing and supporting customised Sage 200 successfully in a corporate or public sector environment. 3.4 Lead Consultant: HCM & Payroll (Sage 300 People) An HCM/ICT qualification, Sage 300 People certification, and at least five (5) years' experience as a lead consultant implementing and supporting customised Sage 300 People successfully in a corporate or public sector environment. 3.5 GovERP Support Consultant A finance- or ICT-related qualification, GovERP certification, and at least five (5) years' experience as a lead consultant implementing and supporting customised GovERP solutions successfully in a corporate or public-sector environment.	5 10 10 10 10

No.	Requirement	Evaluation Criteria	Points
4.	Quality management systems and vendor accreditation.	• Certificate of International Organisation for Standardisation (ISO) or South African Bureau of Standards (SABS) quality management systems = 5 points • Sage Platinum Business Partner accreditation = 5 points	10
	TOTAL POINTS		100
	MINIMUM FUNCTIONALITY THRESHOLD		80

12. PRICING SCHEDULE

Expected Service Description	Unit / Qty	Year 1 (R)	Year 2 (R)	Year 3 (R)	Year 4 (R)	Year 5 (R)	Total for 5 Years (VAT excl.)
1. Support and Maintenance Services							
IBHODWE ERP support and maintenance services (Sage 200 Evolution, Sage 300 People, GovERP portal, and integrated sub-systems)	80 Hours per month						
2. Annual License Fees – Core Sage Platforms							
Sage 200 Evolution – fully deployed module suite (80 users)	80 users						
Sage 300 People (HR & Payroll), including People Self Service and mobile application	±300 employees						
Sage Intelligence Centre / Reporting hub connector	1						
3. Annual Licence Fees – GovERP Portal Modules							
GovERP – Finance (General Ledger, Debtors, Creditors, Cash Management, Financial Reporting)	1						
GovERP – Procure to Pay / E-Procurement	1						
GovERP – Assets (AMS360 Asset Management)	1						
GovERP – HCM (Employee Onboarding, Travel Expense, Promotion, Terminations, Reinstatement, Back-pay Calculator, GL Integration, GEPP & Annual Leave Reporting, Audit Reporting)	1						

Expected Service Description	Unit / Qty	Year 1 (R)	Year 2 (R)	Year 3 (R)	Year 4 (R)	Year 5 (R)	Total for 5 Years (VAT excl.)
GovERP – Budget (preparation, adjustments, budget vs actual)	1						
GovERP – Contracts (contract lifecycle management)	1						
GovERP – Workflow Engine	1						
GovERP – Reporting (centralised reporting hub and dashboards)	1						
GovERP – Document Management System (DMS)	1						
Sub-Total							
VAT (15%)							
Grand Total							

SURNAME AND INITIALS OF COMPANY REPRESENTATIVE

DATE

SIGNATURE

COMPANY OFFICIAL STAMP

ANNEXURE B GENERAL CONDITIONS OF CONTRACT³

**THE NATIONAL TREASURY
Republic of South Africa**



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.

1. The General Conditions of Contract will form part of all bid documents and may not be amended.
2. 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.

³ A copy of the complete document set containing the General Conditions of Contract is available on www.treasury.gov.za/divisions/ocpo/sc/GeneralConditions/

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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 (NIP) Programme	N 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.
	34.1	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 Prohibition of Restrictive practices	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)