



SASSA: 03-24-GA-EC

INVITATION TO BID

**INVITATION TO POTENTIAL SERVICE PROVIDERS (SHOPS AND RETAILERS) THROUGH
EXPRESSION OF INTEREST FOR ISSUING OF SOCIAL RELIEF OF DISTRESS GROCERIES TO
APPROVED SASSA BENEFICIARIES USING THE REDEMPTION OF SASSA MANUAL VOUCHERS
FOR A PERIOD OF 36 MONTHS**

NON- COMPULSORY BRIEFING SESSION: 10 JULY 2024 AT 12:00

**PROPOSALS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:
SASSA
BKB BUILDING,
CONR FITZPATRICK & MERINO ROAD
QUIGNEY
EAST LONDON
5201**

CLOSING DATE: 24 JULY 2024

TIME: 11:00

ENQUIRIES CAN BE DIRECTED TO:

Technical Enquiries:

Name: F. Buatsi

Tel: 043 – 707 6598

Email: TenderQueriesEC@sassa.gov.za

Supply Chain Management Enquiries

Name: Mr L. Bezuidenhout

Tel: 043 – 707 6366

Email: TenderQueriesEC@sassa.gov.za

BID DOCUMENTS CAN BE OBTAINED FROM:

<https://etenders.treasury.gov.za>

<https://www.sassa.gov.za>

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**INVITATION TO POTENTIAL SERVICE PROVIDERS (SHOPS AND RETAILERS) THROUGH
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FOR A PERIOD OF 36 MONTHS**

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1	SBD 1
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5	ANNEXURE B – SASSA SRD SUPPLIER ACCREDITATION CHECKLIST
6	GENERAL CONDITIONS OF CONTRACT

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)							
BID NUMBER:	SASSA:03-24-GA-EC	CLOSING DATE:	24 July 2024	CLOSING TIME:	11:00		
DESCRIPTION	INVITATION TO POTENTIAL SERVICE PROVIDERS (SHOPS AND RETAILERS) THROUGH EXPRESSION OF INTEREST FOR ISSUING OF SOCIAL RELIEF OF DISTRESS GROCERIES TO APPROVED SASSA BENEFICIARIES USING THE REDEMPTION OF SASSA MANUAL VOUCHERS FOR A PERIOD OF 36 MONTHS						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
SASSA, BKB BUILDING, CNR FITZPATIRCK & MERINO ROAD, QUIGNEY, EAST LONDON, 5201							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Mr L Bezuidenhout			CONTACT PERSON	Mr F Buatsi		
TELEPHONE NUMBER	043 707 6366			TELEPHONE NUMBER	043-707 6598		
FACSIMILE NUMBER	N/A			FACSIMILE NUMBER	N/A		
E-MAIL ADDRESS	TenderQueriesEC@sassa.gov.za			E-MAIL ADDRESS	TenderQueriesEC@sassa.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA		
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No <i>[[IF YES ENCLOSE PROOF]]</i>		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No <i>[[IF YES, ANSWER THE QUESTIONNAIRE BELOW]]</i>		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

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 institution	State

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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.



TERMS OF REFERENCE

**INVITATION TO POTENTIAL SERVICE PROVIDERS (SHOPS AND RETAILERS)
THROUGH EXPRESSION OF INTEREST FOR ISSUING OF SOCIAL RELIEF OF
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REDEMPTION OF SASSA MANUAL VOUCHERS FOR A PERIOD OF 36
MONTHS**

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1. **INTRODUCTION**

The South African Social Security Agency (SASSA) is established in terms of the South African Social Security Agency Act, 2004(Act No. 9 of 2004). SASSA is a schedule 3A public entity in terms of the Public Finance Management Act 1999 (Act No. 1 of 1999, as amended), and is responsible for the management, administration and payment of social assistance.

2. **PURPOSE**

To secure the services of suitable shops and retailers in the Eastern Cape Region, at both districts and local levels, for provision of Social Relief of Distress groceries to approved SASSA beneficiaries through redemption of SASSA manual vouchers for a period of thirty six (36) months. All successful service providers will be required to enter into a Service Level Agreement with SASSA Eastern Cape Region.

3. **BACKGROUND**

Social Relief of Distress (SRD) is a programme intended to meet the basic needs of indigent persons by means of rendering temporary and immediate material assistance in response to a crisis situation. The SRD programme is intended for persons who are in dire need and are unable to meet theirs or their families' most basic needs. In general SRD is issued for a maximum period of three months per applicant and in exceptional cases it may be continued for a further three months.

- It is against this background that SASSA is inviting service providers (shops and retailers) in the Eastern Cape Region through an expression of interest for the provision of groceries through the redemption of SASSA manual vouchers to the approved SASSA beneficiaries of Social Relief of Distress.
- This is an accreditation process that does not guarantee the service provider a number of manual vouchers to be redeemed by the approved beneficiaries. The appointed service providers will be required to submit an invoice to SASSA with supporting documents on a monthly basis as and when the beneficiaries have redeemed the SASSA manual vouchers.
- SASSA cannot predetermine the volume/number of SRD manual vouchers to be redeemed. The service provider (shop or retailer) may redeem as many or as few approved SRD manual vouchers, taking into consideration the exclusions in **Annexure A**.

4. **OBJECTIVES**

- To appoint suitable service providers (shops and retailers) through an expression of interest for issuing Social Relief of Distress groceries to approved SASSA beneficiaries using the redemption of SASSA manual vouchers for a period of thirty six (36) months.
- To enter into a service level agreement with accredited service providers for the provision of groceries to approved SASSA beneficiaries using the redemption of SASSA Social Relief of Distress (SRD) manual vouchers.

5. **SCOPE OF WORK**

The successful service provider must be able to:

- Provide groceries to approved SASSA beneficiaries on credit based on the SASSA voucher presented by the beneficiaries with valid method of identification.
- Provide groceries in accordance to the individual/beneficiaries' choice and comply with the exclusion list of the items as per attached **ANNEXURE A**.
- Accreditation will be valid for only thirty six (36) months
- All interested suppliers will be assessed using a pre-determined accreditation process outlined in paragraph 10.

6. DELIVERABLES

- Allow the beneficiary to purchase according to their personal requirements, within the basket of approved goods.
- Issue goods to a beneficiary or a procurator, immediately upon the presentation of a valid voucher by a beneficiary or the procurator.
- Prior to accepting the voucher, the service provider must confirm the identity document of the SASSA approved beneficiary/procurator presenting the voucher. In the event that the approved beneficiary/procurator is unable to present a positive identification, the service provider should accept a SASSA confirmation letter signed by the LOM with his/her contact details included.
- The value of goods issued by service provider must not exceed the amount as stated on the voucher.
- Change on the redeemed voucher must not exceed fifty rand (R50)

7. PROHIBITIONS

- Pre-packaging of items on behalf of the beneficiary is prohibited.
- Ensure that no items included on the attached exclusion list are provided.
- Vouchers must not be redeemed for cash.
- Ensure that the voucher presented by a beneficiary is not more than five (5) days old.
- The quality of the goods should not be inferior or sub-standard in comparison to that issued to general customers and the prices thereof shall be comparative to that normally charged to customers of the Service Provider.
- No expired food items/goods should be sold to SASSA approved beneficiaries.

8. MONITORING AND EVALUATION

- Beneficiaries may be interviewed to validate the quality of service rendered and the service provider's ability to provide the required services.
- Ad-hoc inspection will be conducted at random intervals by a delegated SASSA official.
- The service provider will be expected to enter into a service level agreement with SASSA, which will form the basis for compliance monitoring.

9. MANDATORY REQUIREMENTS

- Proof of physical address of the business not older than three (3) months e.g. Invoice or municipal account
- The service providers (shops or retailers) should be an established supplier of household goods / groceries.
- The service provider must attach a copy of a certificate of acceptability from the local municipality.

10. SUPPLIER ACCREDITATION PROCESS

- All interested service providers will be assessed using the Evaluation criteria outlined in section 10.
- Sites visits will be conducted by SASSA to determine capacity of service provider.
- Allocation of work will be done as and when the need arise.
- Admission to the suppliers' database does not guarantee work. The stock in the shop is NOT meant exclusively for SASSA beneficiaries; but the general public.
- Redemption of the voucher can only be done at a SASSA accredited service provider.

11. EVALUATION CRITERIA

Proposals will be evaluated in terms of the criteria below;

11.1 STAGE 1: PHASE 1 MANDATORY REQUIREMENTS

- 11.1.1 Proof of physical address of the business not older than three (3) months e.g. Invoice or municipal account.
- 11.1.2 The service providers (shops or retailers) should be an established supplier of household goods / groceries.
- 11.1.3 The service provider must attach a copy of a certificate of acceptability from the local municipality.

Failure to comply with the above mandatory requirements will lead to disqualification.

11.2 STAGE 1: PHASE 2: ADMINISTRATIVE COMPLIANCE

In this phase, potential service providers must submit the documents listed in Table 1 below. All documents must be completed and signed by the duly authorized representative of the prospective bidder(s). The bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements.

Document that must be submitted	Non-submission may result in disqualification?	
SBD Forms <ul style="list-style-type: none">▪ SBD 1▪ SBD 4	YES	Fully complete the documents
Proof of physical address of the business	YES	Proof of physical address of the business not older than six (6) months e.g. Invoice or municipal account.
Proof of ownership of the shop	YES	Proof of ownership of the shop e.g. trading license issued by Municipal Corporation.
Tax Status Pin	YES	In the event where the Bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification as well as SARS e-filing verification outcome will take precedence. The Store must be registered with SARS and Tax Compliant
Registration on Central Supplier Database (CSD)	YES	Bidder(s) must be registered as a service provider on the Central Supplier Database (CSD). If a bidder is not registered, he/she should proceed to complete the registration of the company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain a vendor number. Submit proof of registration and CSD Master Registration Number (MAAA...)

11.3 STAGE 2 : FUNCTIONALITY CRITERIA

Bidders will be evaluated in the following manner based on their final score obtained per criteria:

1) Poor, 2) Average, 3) Good, 4) Very good, 5) Excellent

Criteria	Guidelines for criteria application	Weight
Store Capacity & Visibility	<ul style="list-style-type: none"> Size of store (<i>minimum requirement for a store</i>) (5,5 metres by 3 metres) (10 points) Compliance with Environmental Health & Safety Regulations (Health & Safety Certificate) (10 points) Automated cash tills and till slips (sample of till slip) (10 points) Name of the store as appearing in the CSD (Pictures reflecting the name and address as it appears on CSD) (10 points) <p>(40 points equal the value 5.) (30 points equal the value 4.) (20 points equal the value 3.) (10 points equal the value 2.) (0 points equal the value 1.)</p>	40
Supplier Capacity	<ul style="list-style-type: none"> Signed letter of agreement between the supplier (shops and retailers) and wholesalers from which groceries will be procured, on the letterhead of the wholesalers confirming that they will be able to supply adequate stock (dry produce, cold produce, canned/bottled produced/ fresh produce) to the suppliers (shops and retailers).The letter must be signed by the supplier (shops and retailers) and the wholesalers from which items will be procured. (15 points) Capacity to deliver on walk-ins SRD requirements and supplies (Submit list of items sold currently in the shop and pictures of stock, (dry produce, cold produce, canned/bottled produced/ fresh produce) on shelves in the shop). (15 points) <p>(30 points equal the value 5) (15 points equal the value 3) (0 points equal the value 1)</p>	30

Criteria	Guidelines for criteria application	Weight
Accessibility	<ul style="list-style-type: none"> The store/shop must not be situated more than 40km from the nearest settlement and transport route. (15 points) Confirmation of operating hours in the letterhead of the bidder. Flexibility of operating hours (Minimum store operating hours should be 08h00 - 17h00 or 09h00 – 18h00 during weekdays / weekends) (15 points) <p>(30 points equal the value 5) (15 points equal the value 3) (0 points equal the value 1)</p>	30

NB: Bidders who score less than 60 out of 100 points will be disqualified and will not be included in the SASSA's database.

11.4 SITE INSPECTION

Inspections will be conducted by authorised SASSA officials to confirm if the service provider will indeed be able to render the required services. Site inspections will ONLY be conducted at the physical addresses of the business provided in the bid document and to bidders whose bids have satisfied all requirements of the bid.

12 PERIOD OF CONTRACT

The duration of the service level agreement shall be for a period of third six (36) months.

13 VALUE OF THE CONTRACT

The value of the SRD manual voucher as well as beneficiaries affected by disasters should be an amount not exceeding the OAG amount (R2020 in 2024/2025 financial year), reviewable annually. SASSA reserves the right to vary the amount of the voucher.

14 GENERAL CONDITIONS OF CONTRACT

The following conditions apply to the accreditation, and if any of the conditions are not met the accreditation will not be considered:-

- SASSA reserves the right to accredit one or more service providers (shops and retailers); in whole or partially or not to accredit any service provider at all.
- It should be noted that SASSA expects appointed service providers to take full responsibility and accountability to execute functions attached to the contract. **Under no circumstances will SASSA engage itself with sub-contractors or parties associated with the service provider, including suppliers' main suppliers or manufacturers.**
- The general conditions of contracts as set out by the National Treasury will be applicable in all instances.
- SASSA will ensure that the service provider will be provided with all data required to render the services.
- Prospective service providers shall have to treat all available data provided by SASSA in the process as strictly confidential. Such data remains the property of SASSA.

- The successful service providers will enter into a service level agreement with SASSA.
- Service providers may be required to undergo security vetting.

15. PAYMENT PROCESS

- The service provider shall invoice SASSA in respect of goods supplied to the approved beneficiaries.
- The invoice must include the original voucher(s) with the corresponding itemized cash register (till) slip.
- The service provider shall invoice SASSA monthly, on or before the fifteenth (15th) day of each successive month.
- Upon being satisfied that the service provider is legally entitled to such payment, SASSA shall pay the service provider the total amount claimed within 30 days of receipt of the invoice. However, service provider will carry the risk if they provide anything that is included on the list of exclusion items. The cost of the exclusion will be subtracted from the invoice, before the payment is effected.

16. SUMMARY TERMINATION OF AGREEMENT BY THE SOUTH AFRICAN SOCIAL SECURITY AGENCY

The South African Social Security Agency shall have the right to terminate this agreement at any time by giving **(30) thirty** days written notice to the service provider in any of the following events:-

- **On breach:**

If the service provider commits any breach of any terms or conditions of the agreement.

- **On liquidation or insolvency:**

If the service provider shall be subjected to any provisional or final order of liquidation or sequestration or judicial management with its creditors or suffer execution to be levied on its goods or fail to pay any of its sub-contractors appointed in terms hereof on due date for payment.

- **On VAT:**

If the service provider is not registered as Value Added Tax Vendor in terms of any applicable legislation.

- **On Criminal Conduct:**

If the service provider is found to have been reasonably and sufficiently implicated in any criminal conduct directly linked to the Social Relief of Distress referred to above.

- **On bringing the South African Social Security Agency into disrepute:**

If the service provider, through omission or commission brings the name of the South African Social Security Agency into disrepute. This is inclusive of the service provider failing to honour their financial obligations to their suppliers and thereby dragging the South African Social Security Agency to courts of law as respondent.

- **On stock levels:**

If the service provider is unable to provide expected goods to SASSA beneficiaries as a result of low stock levels.

17. SPECIAL CONDITIONS OF THIS BID

SASSA reserves the right:

- a. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- b. To correct any mistakes at any stage of the process that may have been in the Bid documents or occurred at any stage of the process.
- c. To cancel and/or terminate the 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.

18. ETHICAL REQUIREMENTS

Service Providers will be required to comply with the following ethical requirements during the contract period:

- a. Act honestly, fairly, and with due skill, care and diligence, in the interests of SASSA(EC);
- b. Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- c. Act with circumspection and treat SASSA(EC) fairly in a situation of conflicting interests;
- d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with SASSA(EC);
- f. Avoidance of fraudulent and misleading advertising, canvassing and marketing;
- g. To conduct their business activities with transparency and consistently uphold the interests and needs of SASSA(EC) as a client before any other consideration; and
- h. To ensure that any information acquired by the bidder(s) from SASSA (EC) will not be used or disclosed unless the written consent of SASSA (EC) has been obtained to do so.

19. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

SASSA (EC) reserves its right to disqualify any bidder who:

- a. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of SASSA(EC)'s officers, directors, employees, advisors or other representatives;
- d. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any

unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

- e. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g. has in the past engaged in any matter referred to above; or
- h. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters and list of restricted suppliers kept at National Treasury.
- i. if the bidder, member or directors appear on the list of Restricted Suppliers & Tender Defaulter kept at National Treasury.
- j. if the service provider Supplier is found to have been reasonably and sufficiently implicated in any criminal conduct directly linked to the Social Relief of Distress referred to above.
- k. if the service provider, through omission or commission brings the name of the South African Social Security Agency into disrepute. This is inclusive of the service provider failing to honour their financial obligations to their suppliers and thereby dragging the South African Social Security Agency to courts of law as respondent

20. MINIMUM NUMBER OF RETAILERS/SHOPS REQUIRED

It is the intention of SASSA to advertise the bid in targeted areas to appoint a minimum of two outlets per Local Office Area as listed in the table below:

District	Local Office	Minimum number
Alfred Ndzo	Bizana	2
	Matatiele	2
	Mount Ayliff	2
	Mount Frere	2
	Tabankulu	2
Amathole	Butterworth	2
	Centane	2
	Dimbaza/Zwelitsha /King Williams Town	2
	Duncan Village/ East London	2
	Fort Beaufort	2
	Idutywa	2
	Keiskammahoek	2
	Mdantsane	2
	Alice/Middledrift	2
	Ngqamakwe	2
	Peddie	2
	Stutterheim	2
	Willowvale	2

District	Local Office	Minimum number
	Elliotdale	2
Chris Hani	Cala	2
	Cofimvaba/Tsomo	2
	Cradock	2
	Engcobo	2
	Indwe	2
	Lady Frere	2
	Middelburg	2
	Komani/Tarkastad/Whittlesea	2
Aliwal North	Aliwal North	2
	Maclear	2
	Mount Fletcher	2
	Sterkspruit	2
	Burgersdorp	2
NMM	Bethelsdorp	2
	Ibhayi/Zwide	2
	Motherwell	2
	Uitenhage	2
	Walmer	2
OR Tambo	Flagstaff	1
	Libode	2
	Lusikisiki	2
	Mqanduli	2
	Ngqeleni	2
	Port St Johns	2
	Qumbu	2
	Tsolo	2
	Mthatha	2
Sarah Baartman	Graaf-Reinet	2
	Grahamstown	1
	Humansdorp	2
	Kareadow	2
	Kirkwood	2
	Port Alfred	2
	Somerset East	2
	Willowmore	2

In the event that the minimum of two (2) outlets is not achieved, SASSA reserves the right to re-advertise the bid.

21. NON-COMPULSORY BRIEFING SESSION

A non-compulsory briefing will be held on **10 July 2024**. Service providers may attend any briefing session closest to their area. All enquiries regarding the tender and questions emanating from the briefing should be sent to the Tenderqueriesec@sassa.gov.za no later than **12 July 2024** and will be responded to on the SASSA website under the tender.

The briefing will be held at the following Districts and venues:

No	District	Venue Address	Date of briefing
1	Amathole District Office	BKB Building, Cnr Fitzpatrick & Merino Road, East London	10 July 2024
2	OR Tambo & Alfred Ndzo –	No 26 Cnr of Maderia & Victoria Street Steve Motors Building, 2 nd Floor, Mthatha	10 July 2024
3	Chris Hani & Joe Gqabi	Thobi Kula Indoor Centre, Queenstown, 5319	10 July 2024
4	Nelson Mandela Metro & Sarah Baartman	259 Govan Mbeki Avenue, North End, Port Elizabeth, NMM	10 July 2024

22. COMMUNICATION

Any request for clarification must be submitted in writing to the following officials:

a) Technical enquiries

Name of Region	Contact Number	Contact Person	Email Address
Eastern Cape	043 707 6598	Mr F Buatsi	Tenderqueriesec@sassa.gov.za

b) Supply Chain Management

Name of Region	Contact Number	Contact Person	Email Address
Eastern Cape	043 707 6366	Mr Leslie Bezuidenhout	Tenderqueriesec@sassa.gov.za

Any questions regarding the bid should be submitted in writing and all responses will be communicated

23. CLOSE OF BIDS

Bid Documents must be submitted on 24 July 2024 at 11h00 as per the advert at the following address:

SASSA - Eastern Cape Regional Office

Old BKB Building
8 Merino Road
Quigney
East London
5201

No late bids will be accepted by SASSA Eastern Cape.

EXCLUSIONS ON THE SRD VOUCHERS

Social Relief of Distress is intended to ensure that beneficiaries have basic necessities. A service provider who provides goods which are not considered basic necessities will carry the cost of the goods so provided, and may run the risk being removed from the data base of approved service providers.

The cost price of any of the goods included on the list below will be removed from the invoice submitted by the service provider, **before** payment of the invoice is effected:

The beneficiary must not be allowed to purchase any of the following items:

1. Alcohol
2. Cigarettes
3. Airtime & Data Bundles
4. Cell phones & Accessories
5. Weaves & beads
6. Beds
7. Magazines and Newspapers
8. Furniture
9. Tools
10. Jewellery and accessories
11. Spare parts for vehicle or bicycle
12. Beauty products
13. Toys
14. Building materials
15. Radio's DVD and CD players
16. Computer consumables
17. Household utensils
18. Electrical equipment
19. Curtains/Linen materials/ Clothing
20. Petrol
21. Fast Foods
22. Over the counter medication

NB: The accredited service provider (shop or retailer) must not allow redemption of a voucher which includes any of the above mentioned items.

NB: In addition, vouchers may not be exchanged for cash, except for the change which must not exceed fifty rand (R50).

SASSA SRD SUPPLIER ACCREDITATION CHECKLIST

NAME OF SUPPLIER: _____

DISTRICT: _____

LOCAL MUNICIPALITY: _____

VILLAGE / TOWNSHIP: _____

CONTACT NAME: _____ CELL NO: _____

TECHNICAL ASSESSMENT	YES/ NO	COMMENTS
1. Is the store visible (Provide Photos)		
2. Are grocery items available (Provide Photos)		
3. Is the store compliant with Environmental and Health Regulations		
4. Does the proof of residence correspond with the physical address of the shop/retailer		
5. Is the store accessible to the Transport Route		
OVERALL COMMENT: (CAN SASSA DO BUSINESS WITH THE SERVICE PROVIDER)		

OFFICIAL USE ONLY	CHECKED BY
SIGNATURE	
SURNAME & INITIALS	
DATE	

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

JULY 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended**
- Special Conditions of Contract (SCC) relevant to a specific bid, should be complied 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**

GENERAL CONDITIONS OF CONTRACT

A. TABLE OF CLAUSES

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GENERAL CONDITIONS OF CONTRACT

1. Definitions

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 provider, 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 provider 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 the 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 provider 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 provider and not involving the provider'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 provider 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 provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as land 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 provider covered under the contract.
- 1.25 **“Written”** or **“in writing”** means hand-written 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 (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise 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 X 85, Pretoria 001, 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 provider 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 provider'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 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 success 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 provider'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 clause 8.2 & 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 analysed 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 provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider 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. Packaging

- 9.1 The supplier shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packaging, 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, 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 the 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 the 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 provider of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the provider'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 provider 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:

- 1) such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and
- 2) in the event of termination of production of the spare parts:
 - a) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - b) 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 provider 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 provider, 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 the 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 provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the provider 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 fulfilment 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 provider in his bid, with the exception of any price adjustments authorized 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 provider 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 provider from any liability or obligation under the contract.
- 21. Delays in the provider'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 any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider 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 provider'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 good 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 judgement 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 provider 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 person prohibited from doing business with the public sector.

- 23.7 If a court of law convicts a person of an offense as contemplated in section 12 or 13 of the Prevention and Combatting 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 Counter-Vailing 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 provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider 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 provider 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 provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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 provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, 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 provider 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 provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation Of Liability

28.1 Except in cases of criminal negligence or wilful 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 provider to pay penalties and / or damages to the purchaser; and
- (b) the aggregate liability of the provider 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.

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the provider 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 provider 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 provider shall be entirely responsible for all taxes, duties, and license fees, etc, incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation Programme (NIP)

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of Restrictive practices

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is/are or a contractor (s) was/ were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder (s) or contractor (s), based on reasonable grounds or evidence obtained by the purchaser, has/have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No 89 of 1998.
- 34.3. If a bidder (s) or contractor (s) has/have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid (s) for such item (s) offered, and/ or terminate the contract in whole or part, and/or restrict the bidder (s) or contractor (s) from conducting business with the public sector for a period not exceeding ten (10) years and/or claim damages from the bidder (s) or contractor (s) concerned.