

LEPELLE NORTHERN WATER



TENDER NO: LNW 01/22/23

**PROJECT NAME: THE PANEL OF WATER TREATMENT
CHEMICALS SUPPLIERS FOR LNW OPERATED WATER AND
WASTEWATER PLANTS**

CLOSING DATE: 05TH SEPTEMBER 2022 @ 11:00am

ISSUED BY:

LEPELLE NORTHERN WATER

Physical address: 01 Landros Mare Street
Polokwane
0700

Postal address: Private Bag X9522
Polokwane
0700

Tel: 015 295 1800

Fax: 015 295 1931

E-mail: information@lepelle.co.za

NAME OF TENDERER: _____

TOTAL AMOUNT: _____ **N/A** _____ **(incl. VAT)**

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LEPELLE NORTHERN WATER					
BID NUMBER:	LNW 17/21/22 Re-advert	CLOSING DATE:	07 th September 2022	CLOSING TIME:	11H00am
DESCRIPTION	THE PANEL OF WATER TREATMENT CHEMICALS SUPPLIERS FOR LNW OPERATED WATER AND WASTEWATER PLANTS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT NO.01 LANDROS MARE STREET					
LEPELLE NORTHERN WATER HEAD OFFICE					
01 LANDROS MARE SREET					
POLOKWANE					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Molatela Letsoalo		CONTACT PERSON	Mulalo Machimana	
TELEPHONE NUMBER	015 295 1800		TELEPHONE NUMBER	082 313 4881	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	molatela@lepelle.co.za		E-MAIL ADDRESS	mulalom@lepelle.co.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
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
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 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:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

Application for a Tax Clearance Certificate

Purpose

Select the applicable optionTenders ☐ Good standing ☐

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

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)																														
Trading name (if applicable)																														
ID/Passport no											Company/Close Corp. registered no																			
Income Tax ref no											PAYE ref no	7																		
VAT registration no	4										SDL ref no	L																		
Customs code											UIF ref no	U																		
Telephone no	C O D E					N U M B E R					Fax no	C O D E					N U M B E R													
E-mail address																														
Physical address																														
Postal address																														

Particulars of representative (Public Officer/Trustee/Partner)

Surname																														
First names																														
ID/Passport no											Income Tax ref no																			
Telephone no	C O D E					N U M B E R					Fax no	C O D E					N U M B E R													
E-mail address																														
Physical address																														

Tender number	<input type="text"/>
Estimated Tender amount	R <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/>
Expected duration of the tender	<input type="text"/> <input type="text"/> <input type="text"/> year(s)
Particulars of the 3 largest contracts previously awarded	
Date started	Date finalised

Are you currently aware of any Audit investigation against you/the company?.....

If "YES" provide details

YES	NO
-----	----

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

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

- -

Date

Name of representative/agent

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

Signature of applicant/Public Officer

Name of applicant/
Public Officer

C

C

Y

Y

—

M

M

—

D

D

Date

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

PROJECT NAME: PANEL OF WATER TREATMENT CHEMICALS
SUPPLIERS FOR LNW OPERATED WATER AND WASTEWATER
PLANTS

PROJECT NO: LNW 01/22/23

USER DEPARTMENT: Operations and Maintenance

1. Table of Contents

1.	<i>Table of Contents</i>	1
1.	<i>PURPOSE</i>	1
2.	<i>BACKGROUND</i>	1
3.	<i>SPECIFICATION</i>	1
4.	<i>SCOPE OF WORK</i>	1
5.	<i>OUTPUT AND / OUTCOMES</i>	4
6.	<i>PRICE SCHEDULE</i>	4
7.	<i>PROCUREMENT PROCESS</i>	11
8.	<i>EVALUATION CRITERIA</i>	11
	Mandatory requirements (Pre-qualification).....	12
9.	<i>BID EVALUATION METHOD</i>	12
	Stage 1: Evaluation on Functionality	12
	Phase 1 Functionality	13
	Phase 2 Evaluation on Price and BBBEE 80/20 or 90/10	15
10.	<i>ADMINISTRATIVE COMPLIANCE</i>	17
	Stage 2: Evaluation on Price and BBBEE 80/20 or 90/10.....	18

1. PURPOSE

The purpose of this submission is to request approval to proceed with tendering and implementation process for appointment of panel of water treatment chemicals suppliers for LNW Operated Water and Wastewater plants.

2. BACKGROUND

LNW's core competency lies in provision of uninterrupted supply of bulk portable and semi treated water to Water Service Authorities and, industrial mines and private clients within Limpopo Province. Sustainability of the operations depend on the availability of timeous delivery of chemicals; therefore, it is for this purpose that LNW is looking to establish panel of water treatment chemicals suppliers to assist in achieving its strategic goals.

3. SPECIFICATION

LNW is looking to appoint panel of water treatment chemical suppliers for three(3) years. The panel will cover range of chemicals across all LNW operations.

4. SCOPE OF WORK

Supply and delivery of the following water treatment chemicals which are SABS or NSF approved:

4.1. Water Treatment Lime (Lime for pH correction)

Lime to be supplied should comply with the following specifications:

% Ca – 20.92

% CaO – 0.0

% CaCO₃ – 52.30

% Mg – 1.92

% MgCO₃ = 6.70

% CCE – 60.20 (calcium carbonate equivalence)

'pH – 12.60

% SiO₂ – 24.30

Packed in kg

4.2. Chlorine Gas

Chlorine gas to be supplied should comply with the following specifications:

Chlorine (% v/v as CL₂) – 99.5% min

Boiling point at 101.3 kPa - -34.5 OC

Solubility in water %m/m – 0.83

Density of liquid at 0OC kg/m³ – 1468

Greenish –yellow gas/liquid with suffocating odor

Slightly soluble in water

Supplied in 70kg cylinders or / and 925kg drum.

4.3 Sodium Hypochlorite

Sodium Hypochlorite: Appearance= clear liquid

Color= yellow

Specific Gravity @ 20⁰C= 1.210

4.4 Calcium Hypochlorite (HTH) (Tablets, Granules, Chips): available chlorine min 65%-70%. Active ingredient= calcium hypochlorite

4.5 Flocculant

The flocculants shall be suitable for treating raw water at the Lepelle Northern Water for each specific Treatment Works for potable water purposes.

The following information is required:

a) Nature of compound, e.g., Polyamine, PAC (Poly Aluminum Chloride), poly DADMAC, etc.

b) Product Characteristics: pH (min/max)

: Density (min/max)

: Total Solids @ 150⁰C

: Shelf life @ 40⁰C

4.6 Powder and granular Activated Carbon

4.7 Hydrochloric acid

4.8 Sodium chlorite

4.9 Bioremediation solutions

NB: Attach Certificate of Analysis (COA) and material safety data sheet (MSDS) for all the products

The Water Treatment Plants operated and owned by LNW include:

NAME OF PLANT	PLANT CAPACITY (MEGA LITERS PER DAY)	INDICATE PLANT INTERESTED IN SUPPLYING BY TICKING √	GPS COORDINATES	
			Latitude(S)	Longitude(E)
Ebenezer Water Treatment Works	50		-23,944133	29,9837166
Olifantspoort Water Treatment Works	60		-24,35455	29,75938
Phalaborwa Water Treatment Works	76		-24,065067	31,14155
Politsi Water Treatment Works	5.5		-23,77249	30,0946
Flag Boshielo Water Treatment Works	16		-24,77242	29,42611
Marble Hall Water Treatment Works	5		-24,978216	29,11833333
Burgersfort Water Treatment Works	5		-24,666816	30,338666666
Doorndraai Water Treatment Works	17		-24,269433	28.7844333
Mahloakwena Package Plant	0.2		-24.729484	30.183368
Kutullo Package Plant	1		-24.907512	29.992229
Tsakane Package Plant	0.1		-24.870283	30.037717
Malekana	12		-24.894717	30.006867
Nkadimeng	2.5		-24.644350	29.98040000
Steelpoort	3		-24.715400	30.19890000
Hlogotlou	2		-25.00546	29.70872
Nandoni	60		-22.97145	30.60063
Mooihoek	10		-23.5512	30.15775
Orighstad	0.6		-24.748596	30.557720
Mapodile	0.6		-24.777285	30.154494

The Wastewater Treatment Plants operated and owned by LNW include

NAME OF PLANT	PLANT CAPACITY (MEGA LITERS PER DAY)	INDICATE PLANT INTERESTED IN SUPPLYING
Burgersfort Wastewater	10	
Marble Hall Wastewater	1.5	
Steelpoort Wastewater	0.2	
Groblersdal Wastewater	5	

Note: In case LNW gets new schemes, the same panel will be engaged to provide quotes and furthermore services

5. OUTPUT AND / OUTCOMES

- The supply of water and wastewater treatment chemicals

6. PRICE SCHEDULE

Bid price must remain firm for a period of 12 months after award of contract. A bidder must indicate year 2 and year 3 price increment percentages.

Year 2 % Increment	Year 3 % Increment

Note: Bidders will be given an opportunity to collect raw water samples and test for pricing purposes. This will enable bidders to know which products to price per plant.- This is applicable to flocculents only .

Sodium Hypochlorite (liquid) under the trade name of Manufacturer: _____

LNW PLANT	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
	BULK	DRUM	BULK	DRUM	BULK	DRUM
Flag Boshielo						
Marble Hall						
Burgersfort Wastewater						

Flocculent under the trade name of Manufacturer: _____

NB: Should the space not be enough for listing of chemical ID, then you can attach a separate sheet similar to this one below

CHEMICAL ID	LNW PLANT	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
		BULK	DRUM	BULK	DRUM	BULK	DRUM
	Ebenezer						
	Olifantspoort						
	Phalaborwa						
	Politsi						
	Flag Boshielo						
	Marble Hall						
	Burgersfort						
	Doorndraai						
	Mahloakwena Package Plant						
	Kutullo Package Plant						
	Tsakane Package Plant						
	Malekana						
	Nkadimeng						
	Steelpoort						
	Hlogotlou						
	Nandoni						
	Mooihoek						

Water Purification Lime (White) under the trade name of Manufacture _____

LNW PLANT	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
	BULK	DRUM	BULK	DRUM	BULK	DRUM
Olifantspoort						
Flag Boshielo						
Ebenezer						
Doorndraai						
Malekane						
Nandoni						
Politsi						
Mooihoek						

Calcium hypochlorite (HTH Tablets): under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY	KM COSTS PER KG	TOTAL PRICE PER DELIVERY
	DRUM	DRUM	DRUM
Ebenezer			
Olifantspoort			
Phalaborwa			
Politsi			
Flag Boshielo			
Marble Hall			
Burgersfort			
Doorndraai			
Mahloakwena Package Plant			
Kutullo Package Plant			
Tsakane Package Plant			

Malekana			
Nkadimeng			
Steelpoort			
Hlogotlou			
Nandoni			
Mooihoek			
Orighstad			
Mapodile			
Groblersdal			

Calcium hypochlorite (HTH Granules): under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY	KM COSTS PER KG	TOTAL PRICE PER DELIVERY
	BULK DRUM	BULK DRUM	BULK DRUM
Ebenezer			
Olifantspoort			
Phalaborwa			
Politsi			
Flag Boshielo			
Marble Hall			
Burgersfort			
Doorndraai			
Mahloakwena Package Plant			
Kutullo Package Plant			
Tsakane Package Plant			
Malekana			
Nkadimeng			
Steelpoort			
Hlogotlou			
Nandoni			
Mooihoek			

Orighstad			
Mapodile			

Calcium hypochlorite (HTH Chips): under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY	KM COSTS PER KG	TOTAL PRICE PER DELIVERY
	DRUM	DRUM	DRUM
Ebenezer			
Olifantspoort			
Phalaborwa			
Politsi			
Flag Boshielo			
Marble Hall			
Burgersfort			
Doorndraai			
Mahloakwena Package Plant			
Kutullo Package Plant			
Tsakane Package Plant			
Malekana			
Nkadimeng			
Steelpoort			
Hlogotlou			
Nandoni			
Mooihoek			
Orighstad			
Mapodile			

Sodium Chlorite (liquid) under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY	KM COSTS PER KG	TOTAL PRICE PER DELIVERY
-----------	-----------------------------	-----------------	-----------------------------

	BULK	DRUM	BULK	DRUM	BULK	DRUM
Olifantspoort						
Flag Boshielo						

Chlorine Gas under the trade name of Manufacturer: _____

LNW PLANT	UNIT OF MEASURE	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
		BULK	DRUM	BULK	DRUM	BULK	DRUM
Ebenezer	925KG						
Olifantspoort	925KG						
Phalaborwa	925KG						
Politsi	70KG						
Flag Boshielo	925KG						
	70KG						
Marble Hall	70KG						
Burgersfort	70KG						
Doorndraai	925KG						
Mahloakwena Package Plant	70KG						
Kutullo Package Plant	70KG						
Tsakane Package Plant	70KG						
Malekana	925KG						
Nkadimeng	70KG						
Steelpoort	70KG						
Hlogotlou	70KG						
Nandoni	925KG						
Mooihoek	925KG						
Burgersfort WWTW	70KG						
Steelpoort WWTW	70KG						
Marble Hall WWTW	70KG						

Groblersdal WWTW	70KG						
---------------------	------	--	--	--	--	--	--

Powder Activated Carbon under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
	BULK	DRUM	BULK	DRUM	BULK	DRUM
Ebenezer						
Olifantspoort						
Phalaborwa						
Politsi						
Flag Boshielo						
Marble Hall						
Burgersfort						
Doorndraai						
Mahloakwena Package Plant						
Kutullo Package Plant						
Tsakane Package Plant						
Malekana						
Nkadimeng						
Steelpoort						
Hlogotlou						
Nandoni						
Mooihoek						
Groblersdal						

Bioremediation chemical under the trade name of Manufacturer:

LNW PLANT	PRICE PER KG FOR FACTORY	KM COSTS PER KG	TOTAL PRICE PER DELIVERY
	DRUM	DRUM	DRUM

Burgersfort WWTW			
Steelpoort WWTW			
Marble Hall WWTW			
Groblersdal WWTW			

Hydrochloric Acid under the trade name of Manufacturer: _____

LNW PLANT	PRICE PER KG FOR FACTORY		KM COSTS PER KG		TOTAL PRICE PER DELIVERY	
	BULK	DRUM	BULK	DRUM	BULK	DRUM
Flag Boshielo						
Olifantspoort						

NB: This bid will be subject to the price negotiation.

7. PROCUREMENT PROCESS

The normal LNW process will be followed in line with the company's SCM policy and - procedures with no deviations from the normal anticipated at this stage.

Validity of Tender : 90 Days
Contract Period : 36 months
Date advert published : 05 August 2022
Compulsory Briefing date : 18 August 2022 @ 10h00
Tender document available : 05 August 2022
Closing date of Advert : 05 September 2022 @ 11h00

8. EVALUATION CRITERIA

Preferential Points System will be used to evaluate this bid in line with the Preferential Procurement Policy Framework Act, 2017. Bidders will be evaluated on functionality first, only those qualifying by achieving the minimum cut off point of 75% will then be evaluated on administrative compliance and then price and BBB-EE as the final stage.

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

1. Relevant specifications
2. Value for money
3. Capability to execute the contract
4. LNW SCM Policy
5. PPPFA & associated regulations

Mandatory requirements (Pre-qualification)

- The signed JV agreement for JV partners to be submitted indicating percentage split for partners to render agreement valid.
- All bid documents and especially the PRICING SCHEDULE must be completed in FULL to render the bid responsive. If any section of the bid document and the PRICING SCHEDULE is left incomplete, the bid document will be disqualified.
- Certificate of Analysis (COA) of all listed chemicals.
- Compulsory site briefing to be attended at LNW Head Office in Polokwane.

NB: Failure to comply with any of the above mandatory requirements will lead to disqualification of the tenderer.

9. BID EVALUATION METHOD

Bids will further be evaluated in terms of Method 4:

- Stage 1: Evaluation on Functionality (Minimum of 75% to be scored to be considered responsive)
- Stage 2: Evaluation on 80/20 or 90/10 preferential points system (Price and BBBEE)

Note: Bidders will be evaluated on Functionality first, only those qualifying by achieving the minimum of cut off point of 75% will be evaluated on administrative compliance and then price and BBB-EE

Stage 1: Evaluation on Functionality

Under functionality, Bidders must achieve a minimum of 75% (45 points) of functionality in order to be considered for further evaluation in phase 2

NB: Only the combined Price & BBBEE points will determine the highest point scoring bidder to be awarded the contract

Phase 1 Functionality

	Criteria	Points Allocation
1	Functionality	
1.1	<p>Traceable and contactable References and relevant experience:</p> <p>(a) Relevant experience in supply and delivery of water and wastewater treatment chemicals</p> <p>1 relevant project= 15 points</p> <p>2 and more relevant projects = 30 points</p> <p>Traceable and signed reference letters on client's letterhead with experience in supply and delivery of water and wastewater treatment chemicals must be attached.</p>	<p>30 Points</p> <p>30 (15 points per references letter to a maximum of 30)</p>
	<p>(b) List of fleet available for transportation and delivery of chemicals.</p> <p>≤5 tons = up to a maximum of 3 points</p> <p>>5 - 8 tons =up to a maximum of 5 points</p> <p>≥9 tons= up to a maximum of 10 points</p> <ul style="list-style-type: none"> • A letter of intent to hire transport to be submitted if the fleet is not owned. • A valid Hazchem Certificate of both the vehicle and driver on owned and hired . 	10 points
1.2	<p>Capacity</p> <p>Indicate number of employees/members with technical competence of service provider</p>	20 Points

	<p>Scientific Technician/Water Quality specialist with National Diploma/Degree in water chemistry qualification x 3 employees and experience in Water and Wastewater plant optimization</p> <p>Technician with National Diploma/ Degree in water chemistry qualification: (with qualifications & experience)</p> <ul style="list-style-type: none">• 2 years equals one (1) points• 3 and more years equals to five(5) points <p>Technician with Honours/BTech and above in water chemistry qualification: (with qualifications & experience)</p> <ul style="list-style-type: none">• 2 years equal(5) points,• ≥ 3 years equals twenty (20) points, <p>To the maximum of 20 point (Please attach CV and certified copies of qualifications not older than 3 months)</p>	
Total Points		60

Note: All bidders should submit flocculant samples when submitting tender document however, Jar tests will only be conducted for qualified bidders and only products that are quoted per plant will be tested.

Note: Certified ID copies of recommendations bidder/s will be requested for verification purposes.

SUBMISSION OF SAMPLES (FLOCULANTS ONLY)

- All samples submitted must be a representative of the product that will be delivered and should be submitted on the closing day.
- Sample to be clearly labeled with name of product, name of supplier and the date. Samples to be submitted are to be accompanied with Material Safety Data Sheet (MSDS)Certificate of Analysis (COA)on the day of the closing date.

- COA submitted with the samples must contain the following information:

The name, address and phone number of the company providing the certificate,

The product name, description and batch number for which the certificate is issued,

Actual results of the tests (in numerical form, where applicable) conducted on the batch of product, and a statement stating all test comply with the requirements,

Name of analyst that conducted the tests stated above, and signature of the person who authorized the results,

Manufacturing date and expiry date.

- Flocculant samples to be submitted in duplicate (i.e. 2 x 250ml) in tamper proof sealed bottles, one of the samples will be submitted for tests and evaluation. The other sample will be submitted and retained by Lepelle Northern Water and used as a reference sample should any dispute arise regarding quality and product performance. The sample to be submitted with a COA. LNW will not pay for the samples submitted. Failure to submit the samples will be regarded as non-responsive and your proposal disqualified.
- Flocculant samples to be submitted at the Polokwane Head Office on the closing date of the tender.

Phase 2 Evaluation on Price and BBBEE 80/20 or 90/10

Bidders who have successfully passed phase 1 of the evaluation on functionality.

Under functionality, Bidders must achieve a minimum of 75% (45 points) of the presentation in order to be considered for further evaluation in stage 2 (Evaluation on Price and BBBEE).

Financial offer and BBBEE

- 1) Score tender evaluation points for financial offer.
- 3) Confirm that tenderers are eligible for the BBBEE claimed, and if so, score tender evaluation points for BBBEE.
- 4) Calculate total tender evaluation points.
- 5) Rank tender offers from the highest number of tender evaluation points to the lowest.
- 6) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.

**NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE
OF THE STATE** (See definition on SBD 4 attached)

Scoring functionality

Score functionality in each of the categories stated in the Tender Data and calculate total score for functionality.

Scoring Financial Offers

Score the financial offers of remaining responsive tender offers using the following formula:

$N_{FO} = W_1 \times A$ where:

N_{FO} = the number of tender evaluation points awarded for the financial offer.

W_1 = the maximum possible number of tender evaluation points awarded for the financial offer as stated in the Tender Data.

A = a number calculated using either formulas 1 or 2 below as stated in the Tender Data.

Formula	Basis for comparison	Option 1	Option 2
1	Highest price or discount	$(1 + \frac{(P - P_m)}{P_m})$	P/P_m
2	Lowest price or percentage commission/fee	$(1 - \frac{(P - P_m)}{P_m})$	P_m/P

where:

P_m = the comparative offer of the most favorable tender offer.

P = the comparative offer of tender offer under consideration.

The **80/10** or **90/10 Preferential Point System** will be used to evaluate the bid.

Table 2: Preference Points Allocation (As per the Preferential Procurement regulations 2017)

	B-BBEE Status Level of Contributor	Number of points	Number of points
	1	20	10
	2	18	9
	3	14	6
	4	12	5
	5	8	4
	6	6	3
	7	4	2
	8	2	1
	Non –compliant contributor	0	0

The points scored by the tenderer in respect of the level of B-BBEE contribution must be added to the points scored for price.

10. ADMINISTRATIVE COMPLIANCE

- i. TAX compliant
- ii. Company registration documents
- iii. Attach proof of Company or Shareholders Municipal Rates or Lease agreement with statement or a dated stamped letter from the Tribal Authority. (Proof not more than three months old from advert date)
- iv. Certified ID copies of the company shareholders
- v. Complete and signed all SBD forms
- vi. All bid documents must be completed in full and in black ink (No tampering of bid documents with either correction fluid, sticky papers or any other thing which can indicate that the bid document has been tampered with)
NB:
 - ✓ ***All certified copies must not be older than three months from tender closing***
 - ✓ ***Lepelle Northern Water reserves the right to verify any information provided by bidder.***
- vii. Proof of registration on the Central Suppliers Database (CSD) and if not attached, it can be checked on line or requested from the bidder.

NOTE:

- a) *The JV partners must submit both mandatory and administrative documents for each Company.*
- b) *Preferred JV bidder will be required to submit a JV bank account and VAT number*
- c) *The client reserves the right to verify any information provided by the bidder. Falsified references/experience will lead to disqualification and blacklisting in terms of the SCM process in conjunction with legal processes.*
- d) *The bidders must comply with all terms and condition including requirements as stipulated in the Tender Documents to be evaluated further.*
- e) *LNW is not compelled to accept the lowest or any bid.*
- f) *LNW reserves the right to reduce the scope of works by more than 50%*
- g) *Contract period is three years renewable annually subject to performance.*
- h) *LNW reserves the rights to negotiate pricing with the recommended bidder.*
- i) *LNW reserves the right to increase or reduce the scope of the project.*

Please note that the above required documents will be deemed as mandatory to the preferred bidder. Required documents will be requested for submission within two working days and failure to submit will be deemed as non-responsive.

Stage 2: Evaluation on Price and BBBEE 80/20 or 90/10

NB: Bidders who fail to submit the certified BBB-EE certificate or sworn affidavit will not be scored points on preference

Financial offer and BBBEE

- 1) Score tender evaluation points for financial offer.
- 2) Confirm that tenderers are eligible for the BBBEE claimed, and if so, score tender evaluation points for BBBEE.
- 3) Calculate total tender evaluation points.
- 4) Rank tender offers from the highest number of tender evaluation points to the lowest.
- 5) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.

NB: NO BIDDER WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on SBD 4 attached)

Scoring functionality

Score functionality in each of the categories stated in the Tender Data and calculate total score for functionality.

Scoring Financial Offers

Score the financial offers of remaining responsive tender offers using the following formula:

$N_{FO} = W_1 \times A$ where:

N_{FO} = the number of tender evaluation points awarded for the financial offer.

W_1 = the maximum possible number of tender evaluation points awarded for the financial offer as stated in the Tender Data.

A = a number calculated using either formulas 1 or 2 below as stated in the Tender Data.

Formula	Basis for comparison	Option 1	Option 2
1	Highest price or discount	$(1 + \frac{(P - P_m)}{P_m})$	P/P_m
2	Lowest price or percentage commission/fee	$(1 - \frac{(P - P_m)}{P_m})$	P_m/P

where:

P_m = the comparative offer of the most favorable tender offer.

P = the comparative offer of tender offer under consideration.

The 80/20 or 90/10 Preferential Point System will be used to evaluate the bid.

Table 2: Preference Points Allocation (As per the Preferential Procurement regulations 2017)

B-BBEE Status Level of Contributor	Number of points	Number of points
1	20	10
2	18	9
3	14	6
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non –compliant contributor	0	0

The points scored by the tenderer in respect of the level of B-BBEE contribution must be added to the points scored for price.

11. CONTRACT CONDITIONS

- The tendering company must be a recognized supplier of the manufacturer, a written agreement or distributorship letter or letter of support must be supplied.
- All trucks delivering must be mounted high-up crane for delivering of chlorine and transfer pump with connectors for delivering of flocculent.
- The approved bidder shall under no circumstances interrupt the operations as a result of his/her activities in, or around the plant structure.
- Full adherence to the OHSAS 18001 and other applicable Acts will be applicable during the contract.
- CV or personnel that have been presented in the bid shall provide technical support to LNW during the contract period, in case of resignation / absent from work, must be replaced with personnel with equal technical knowledge or qualification.

The contract performance will be measured according to:

- Meeting the obligations to supply the chemicals.
- Providing certificate of analysis.
- Flocculants selected should remain on NSF list for the duration of the SLA
- Adhering to the required correct specification requirements.
- Should there be a challenge with the chemical supplied at a certain plant, the service provider must supply an alternate chemical within 48 hours as emergency.
- Scientific Technician or Water Quality Specialist should be made available on request.

- Prices must be firm for the period of 12 months after appointment. (Supplier must complete SBD 3.1).
- This bid will be subjected to service performance review
- Delivery must be done between three (3) to seven (7) days after placement of purchase order.

12. Panel Utilization

The panel will be utilized on an a rotational basis excluding flocculents ,bioremediation solutions and chlorine gas as they are allocated per plant and performance based.

The process can be as follows: -

- LNW reserves the right appoint any number of suppliers on to the panel by discretion.
- The User Departments submit a requisition to SCM.
- SCM will then confirm the budget with finance.
- SCM will then send a request to one service provider listed on the panel on a rotational basis.
- After sending the request, SCM checks the budget and rotation. Then print the pricing schedule, then captures it together with the order.
- LNW reserves the right to request for separate quotations from the listed panel in order to conduct chemical trials or when there is an emerging supplier in the market.
- LNW also reserves the right to add a new service provider to form part of the panel in line with internal SCM processes and procedures. This will be based on new inventions and cost effectiveness.
- Suppliers can be rotated to supply a different scheme from the allocated scheme in case of emergencies.
- Appointment to the panel is not a guarantee that orders will be placed or that a minimum contract value will apply.
- No products shall be delivered, or order processed without any authorization from LNW. Any products delivered without authorization is at the suppliers risk.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

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

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

Name of bidder.....	Bid number: LNW 01/22/23
Closing Time 11:00am	Closing date: 05 September 2022

OFFER TO BE VALID FOR **90** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
----------	----------	-------------	---

-
- Required by:
 - At:
.....
 - Brand and model
 - Country of origin
 - Does the offer comply with the specification(s)? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
*Delivery: Firm/not firm
 - Delivery basis

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

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

*Delete if not applicable

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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

Name of Bidder.....	Bid number LNW 01/22/23
Closing Time 11:00am	Closing date...5 th September 2022

OFFER TO BE VALID FOR...90.....DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
<hr style="border-top: 1px dashed black;"/>			
-	Required by:	
-	At:	
-	Brand and model	
-		
-	Country of origin	
-	Does the offer comply with the specification(s)?	*YES/NO	
-	If not to specification, indicate deviation(s)	
-	Period required for delivery	
-	Delivery:	*Firm/not firm	

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

*Delete if not applicable

A NON-FIRM PRICES SUBJECT TO ESCALATION

- $$Pa = (1-V)Pt \left(D1 \frac{R1t}{\overline{R1o}} + D2 \frac{R2t}{\overline{R2o}} + D3 \frac{R3t}{\overline{R3o}} + D4 \frac{R4t}{\overline{R4o}} \right) + VPt$$

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

- | | | |
|-----------------------|-----------------------|-----------------------|
| Index..... Dated..... | Index..... Dated..... | Index..... Dated..... |
| Index..... Dated..... | Index..... Dated..... | Index..... Dated..... |

- [illegible]

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

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

1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:
 - (a) Any single contract with imported content exceeding US\$10 million.
or
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.
or
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.
or
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of **R10 million** (ten million Rands), submit details of such a contract to the DTI for reporting purposes.

- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

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

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.

- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Bid / contract number.
- Description of the goods, works or services.
- Date on which the contract was accepted.
- Name, address and contact details of the government institution.
- Value of the contract.
- Imported content of the contract, if possible.

- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.

4 PROCESS TO SATISFY THE NIP OBLIGATION

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
- a. the contractor and the DTI will determine the NIP obligation;
 - b. the contractor and the DTI will sign the NIP obligation agreement;

- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number Closing date:.....

Name of bidder.....

Postal address

.....

Signature..... Name (in print).....

Date.....

Multi-Company Declaration Forms

The purpose of this declaration form is to provide detail to the state entity (LNW) the multi companies a director or an individual may own, the ownership maybe in the many forms (shareholding in a registered company-CIPC, director of a Trust, Company-CIPC, Partnership member or Sole Proprietor).

The information requested must be completed in full and signed by the concerned party:

Name of Company	Co. Registration No.	Registration Date	Shareholder Initial & Surname	% owned	Identity Number	Physical Address

I, the undersigned (full name).....
Certify that the information furnished on this declaration form is true and correct.

I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

I also confirm that i will immediately inform Lepelle Northern Water if any declared information above changes in the next six (06) months.

NB. NOTE THAT IF SHAREHOLDERS OR DIRECTORS BELONG TO MORE THAN ONE COMPANY, BOTH COMPANIES WILL BE AUTOMATICALLY DISQUALIFIED.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated **to exceed/ not to exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20 or 90/10** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 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

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

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

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name _____ of
company/firm:.....

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in
business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1.
2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....
.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

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

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