

This document must remain the original when submitted, no copies will be accepted

# MPUMALANGA PROVINCIAL GOVERNMENT



## DEPARTMENT OF CO-OPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS

**BID NUMBER: CGT/091/22/MP**

### **REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS 36 MONTHS (3 YEARS)**

ISSUED BY:

Department of Co-Operative Governance & Traditional Affairs  
Private Bag X11304  
Mbombela  
1200

NAME OF BIDDER: .....  
TOTAL BID PRICE (all inclusive) :.....  
(Also in words): .....  
.....

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF CO-OPERATIVE GOVERNANCE &amp; TRADITIONAL AFFAIRS</b>					
BID NUMBER:	CGT/091/22/MP	CLOSING DATE:	27 JULY 2022	CLOSING TIME:	12H00
DESCRIPTION	REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS 36 MONTHS (3 YEARS)				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT  
(STREET ADDRESS)

**MBOMBELA**, Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, **PIET RETIEF**, No. 11 Measroch Street, Piet Retief Office, **KWAMHLANGA**, KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre **EVANDER**, 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, **BUSHBUCKRIDGE**, Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), **MIDDELBURG**, Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, **MALELANE**, 24 Air Street, Malelane, **ELUKWATINI**, Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.

### 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			
		TCS PIN:	OR CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX)		<input type="checkbox"/> Yes	B-BBEE STATUS LEVEL SWORN AFFIDAVIT
		<input type="checkbox"/> No	<input type="checkbox"/> Yes
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?		<input type="checkbox"/> No	
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/> AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) <input type="checkbox"/> A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) <input type="checkbox"/> A REGISTERED AUDITOR NAME:	

### [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	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]			[IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					

### BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

DEPARTMENT/ PUBLIC ENTITY	Department of Co-Operative Governance & Traditional Affairs
CONTACT PERSON	Mr. EE Sibiya
TELEPHONE NUMBER	013 766 6969
CELL. NUMBER	
FACSIMILE NUMBER	
E-MAIL ADDRESS	<a href="mailto:esibiya@mpg.gov.za">esibiya@mpg.gov.za</a>

### TECHNICAL INFORMATION MAY BE DIRECTED TO:

CONTACT PERSON	Ms. A Marsh
TELEPHONE NUMBER	013 766 1747
FACSIMILE NUMBER	
CELL. NUMBER	
E-MAIL ADDRESS	<a href="mailto:amarsh@mpg.gov.za">amarsh@mpg.gov.za</a>

## 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 ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: ( BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. 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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
- 1.6. OFFER TO BE VALID FOR **90 DAYS** FROM THE CLOSING DATE OF BID

### 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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / 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.

### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?  YES  NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.



**co-operative governance  
& traditional affairs**  
**MPUMALANGA PROVINCE**  
**REPUBLIC OF SOUTH AFRICA**

**BID NO: AS PER THE BID BULLETIN**

**BID DOCUMENT**

**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**NAME OF BIDDER** : \_\_\_\_\_

**TEL NUMBER** : \_\_\_\_\_

**FAX NUMBER** : \_\_\_\_\_

**HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**PRIVATE BAG X 11304**

**MBOMBELA**

**1200**

**CLOSING DATE: AS PER THE BID BULLETIN**

**THE BID IS VALID FOR 90 DAYS**

# REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)

## 1. BACKGROUND

The introduction of modern technologies to the Municipalities has become more and more complex over the past decades. Today however, much more is expected from the mother Department in particular when it comes to municipal support and monitoring. In this context, modern technology incorporates in particular the usage of systems with the application of the corresponding software for developing, planning, implementing and monitoring Municipalities. It is through this required technology that the Department may have access to the information required in order to identify the areas where each municipality needs support and also to assist a Municipality to improve its service delivery mandate in compliance with the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), in particular the Notice in terms of section 105(2) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) published in the *Provincial Gazette* under General Notice No. 110 of 2022 dated 04 March 2022 and other legislation. Hence, an electronic system is needed to reduce, if not eliminate the non-compliance with applicable policies and legislation in that it would be based on an electronic template that would compel the user to insert certain required information to moving to the next step in capturing information.

## 2. PROBLEM STATEMENT

The system seeks to address the following shortcomings in the existing reporting system:

- 2.1 Manual method of documenting municipal reports not effective and efficient
- 2.2 Non-compliance to legislation
- 2.3 Lack of database applications
- 2.4 Contract management not integrated in municipal reporting
- 2.5 Tracking and tracing of project requests by clients and a computerized process that would expedite the assessment of such project requests

## 3. EXPECTED PROJECT DELIVERABLES

The main objective is to develop a web-based application to capture, store and retrieve municipal information while ensuring standardization in terms of project identification, coordination, liaison, data collection, verification, collation, analysis, dissemination, monitoring and evaluation as well as reporting.

## 4. SCOPE OF WORK

The Information Technology System must provide for a dashboard that will allow the Department to monitor and assess the performance of Municipalities and allow for the support to Municipalities as provided for in section 105 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (Systems Act) on Provincial Monitoring of Municipalities which entails the following:



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

Section 105(2) Notice in terms of the Systems Act: Submission of Information by Municipalities published in the *Provincial Gazette* under General Notice 110 of 2022 dated 04 March 2022; and

Section 105(3) of the Systems Act: annual performance reports in terms of section 46 of the Systems Act.

Areas of Reporting to form part of the system:

**4.1. PERFORMANCE MANAGEMENT / REPORTING**

The system should assist the Department to monitor and support Municipalities in implementing legislative requirements.

- 4.1.1 The system to enable municipalities to report on performance through the required templates within specified timeframes
- 4.1.2 Identify Report workflow bottlenecks  
Measure quality of Report based on Committee outcomes
- 4.1.3 Monitor productivity of the Department based on the volume of the reports generated by Municipalities
- 4.1.4 Monitor existence and progress of Reports which are expected for tabling by the MEC
- 4.1.5 Reduce non-compliance with applicable policies and legislation
- 4.1.6 The system should improve reporting of Municipalities on statutory Reports
- 4.1.7 Ensuring the development of Performance Objectives for all the Municipal Directorates/ Units
- 4.1.8 Ensuring the development of Key Performance Areas for all the Units/individuals
- 4.1.9 Ensuring the development of Key Performance Targets for the developed Key Performance Areas
- 4.1.10 Ensuring compilation of Performance Reports.
- 4.1.11 Enforce compliance to report formatting and correct standards
- 4.1.12 Ensure committee consultation
- 4.1.13 Ensure that all necessary reviews and approvals are obtained prior to capturing
- 4.1.14 The system should have audit trails

**4.2 MUNICIPAL ADMINISTRATION**

The system should assist Municipalities to fulfil the requirements in terms of the General Notice No. 110 of 2022 in addition to the key performance areas listed below:

- 4.2.1 Political Arrangements including functionality of Councils, Council Committees and Political Management Structures (TROIKA)
- 4.2.2 Governance and Oversight including functionality of Local Labour Forums (LLF) and institutional support to the Municipal Public Accounts Committees (MPAC)
- 4.2.3 Institutional Arrangements including systems of delegation and interface between political and administrative components
- 4.2.4 Monitoring the development, approval, gazetting and enforcement of Municipal By-Laws



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

- 4.2.5 Monitoring and supporting structures of Inter-Governmental Relations (IGR) including resolution of intergovernmental disputes
- 4.2.6 Monitoring the processing of community Petitions
- 4.2.7 Monitoring and supporting Municipal International Relations

**4.3 MUNICIPAL FINANCE**

The system should assist Municipalities to fulfil the requirements in terms of the General Notice No. 110 of 2022 in addition to the items listed below:

- 4.3.1 Enhancing Budget planning and credibility
- 4.3.2 Supporting and Strengthening of Revenue Mobilization and Debt and credit control management
- 4.3.3 Strengthening Local Governance, Financial Management and Accountability System
- 4.3.4 Monitor implementation of Municipal Property Rates Act, 2004 (Act No. 06 of 2004), appeals and the link to billing systems
- 4.3.5 Monitoring grant spending/ capital / own funding projects
- 4.3.6 Monitoring of distribution losses per municipality
- 4.3.7 Reduce non-compliance with applicable policies and legislation
- 4.3.8 Monitoring and strengthening revenue enhancement/debtors and credit control management system
- 4.3.9 Monitoring of debts impairment
- 4.3.10 Monitoring of prohibited UIFWs
- 4.3.11 Monitoring of electricity and water losses

**4.4 MUNICIPAL CAPACITY BUILDING**

The system should assist Municipalities fulfil the requirements in terms of the General Notice No. 110 of 2022 in addition to the items listed below:

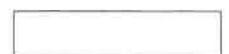
- 4.4.1 The system should enable Municipalities to report on quarterly implemented training and capacity building interventions.

**4.5 MUNICIPAL PUBLIC PARTICIPATION**

The system should assist Municipalities fulfil the requirements in terms of the General Notice No. 110 of 2022.

**4.5.1 Ward Committee Monthly Reporting**

- 4.5.1.1 Proof of payment: Out of pocket expenses
- 4.5.1.2 Number of community meeting conducted by the Ward Committee
- 4.5.1.3 Number of Ward Committees meetings held
- 4.5.1.4 Number of ward Committees implementing Ward Operational plan
- 4.5.1.5 Monthly Database Report on Service delivery issues.
- 4.5.1.6 Number of meetings held by the Ward Councillor with community members



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**4.5.2 Community Development Work Monthly Reporting**

- 4.5.2.1 The Municipality should report on the implementation of the Complaints Management System
- 4.5.2.2 The Municipality should also report on issues raised through protest marches and processes followed to resolve challenges
- 4.5.2.3 The Municipality should report how many legal and illegal protest marches took place in the Municipality.
- 4.5.2.4 Provide update on the interventions done on Early warning referrals

**4.6 MUNICIPAL PERFORMANCE MONITORING REPORTING AND EVALUATION**

The system should assist Municipalities fulfil the requirements in terms of the General Notice No. 110 of 2022.

- 4.6.1 The system should assist Municipalities to fulfil the requirements in terms of Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- 4.6.2 The system should assist the Department to fulfil the requirements in terms of Section 47 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- 4.6.3 Municipalities to report on the implementation of municipal support plans (Integrated Municipal Support Plan (IMSP) and Municipal Support and Intervention Plan (MSIP)
- 4.6.4 The system should enable the Department to do a scorecard assessment of municipal performance against the local government objects as set out in Section 152 (1) to (e) of the Constitution
- 4.6.5 The system to enable municipalities to report on the implementation of Performance Management System as set out in Section 105 of the Municipal Systems Act 32 of 2000

**4.7 SERVICE DELIVERY IMPROVEMENT**

The system should assist Municipalities fulfil the requirements in terms of the General Notice No. 110 of 2022.

- 4.7.1 Community Satisfaction Survey
- 4.7.2 Service Nodal Points

**4.8 MUNICIPAL DEVELOPMENT AND PLANNING**

The system should assist municipalities fulfil the requirements in terms of the General Notice no. 110 of 2022 in addition to the items listed below:

- 4.8.1 Report on Local Economic Development, Spatial Planning, Land Use Management, Municipal Infrastructure, Water services, Integrated Development Planning including the District Development Model (DDM) and Disaster Management
- 4.8.2 The system to enhance the monitoring of bulk supply of water and electricity and usage in municipalities



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

In addition to the above, the system should also provide for reporting on the following:

**4.8.3 Provision of basic services**

- 4.8.3.1 Households with access to water, sanitation, electricity and waste removal
- 4.8.3.2 Projects implemented to address backlog on each area of service delivery
- 4.8.3.3 Projects to be grouped in terms of funding source, i.e., municipal infrastructure grant (MIG), INEP, WSIG, IUDG)
- 4.8.3.4 Projects to indicate description, location (area, ward and coordinates), appointed service provider (consultant and contractor), status, start date, finish date, budget, expenditure, targeted number of households, challenges and required interventions
- 4.8.3.5 On each project the system should allow submission of project reports

**4.8.4 Indigents**

- 4.8.4.1 Date of indigent policy adoption (system to enable uploading of the policy).
- 4.8.4.2 Number of households applied for indigent status, number of households approved, number of households disapproved. The location of the household to be included areas and ward per municipality.

**4.8.5 Water services**

- 4.8.5.1 Water treatment works (WTWs)
- 4.8.5.2 Description/name of WTW, location (area, ward and coordinates)
- 4.8.5.3 Design Capacity of WTWs
- 4.8.5.4 Operational capacity of WTW
- 4.8.5.5 Functionality of WTW (yes/no)
- 4.8.5.6 Challenges and required intervention
- 4.8.5.7 Number of plant operators
- 4.8.5.8 Water use license date/number

**4.8.6 Waste Water Treatment Work (WWTW)**

- 4.8.6.1 Description/name of WWTW, location (area, ward and coordinates)
- 4.8.6.2 Design Capacity of WWTWs
- 4.8.6.3 Operational capacity of WWTW
- 4.8.6.4 Functionality of WWTW (yes/no)
- 4.8.6.5 Challenges and required intervention
- 4.8.6.6 Number of plant operators
- 4.8.6.7 Water use license date/number

**4.8.7 Boreholes drilling**

- 4.8.7.1 Location of borehole (area, ward and coordinates)
- 4.8.7.2 Depth



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

- 4.8.7.3 Yield
- 4.8.7.4 Households supplied
- 4.8.7.5 Functionality/Status
- 4.8.7.6 Source of energy
- 4.8.7.7 Number of tanks supplied

**4.8.8 Indigents**

- 4.8.8.1 Date of indigent policy adoption (system to enable uploading of the policy)
- 4.8.8.2 Number of households applied for indigent status, number of households approved and number of households disapproved
- 4.8.8.3 The location of the household to be included areas and ward per municipality

**4.8.9 Land use management**

- 4.8.9.1 Description of applicable policies, their date of adoption and system to allow uploading of these policies
- 4.8.9.2 number of land use and land development applications received by the Municipality.
- 4.8.9.3 Updated progress on the number of land use and land development applications decided upon by the Municipality (Land Development Officer, Municipal Planning Tribunal and Appeal Authority)
- 4.8.9.4 Land use enforcement with an indication of number of compliance notices issued
- 4.8.9.5 Reported cases of land invasion, interventions and progress on interventions
- 4.8.9.6 Number of building plans (i.e., new, minor, temporary building works) and demolition (partial/full) plans received, examined, and decided upon
- 4.8.9.7 Number of applications for temporary occupation certificates and applications to proceed with construction prior to approval of building plans received, examined/evaluated and decided upon
- 4.8.9.8 Number of outdoor advertisement applications received, evaluated and decided upon
- 4.8.9.9 Challenges and required interventions

**4.8.10 Local economic development**

- 4.8.10.1 LED strategy: date of adoption and system to allow uploading
- 4.8.10.2 Total number of SMMEs
- 4.8.10.3 Description of LED programmes and projects indicating their location (area and ward), number of jobs created in a financial year
- 4.8.10.4 Functionality of LED forum by indicating dates of meetings and uploading of minutes
- 4.8.10.5 Challenges and required interventions

**4.8.11 Spatial Planning**

- 4.8.11.1 Description of applicable policies, their date of adoption and system to allow uploading of these policies



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

- 4.8.11.2 The number of land development decisions that were inconsistent with the municipal SDF and description of inconsistency
- 4.8.11.3 The number of land development decisions that departed from the provisions of the municipal SDF due to site-specific circumstances and description of site-specific circumstance

**4.8.12 Integrated development planning**

**System to enable reporting on the following:**

- 4.8.12.1 Information on the process followed on the prescribed IDP planning, drafting, adoption and review
- 4.8.12.2 Information on the number of IDP Representative Forum and Steering Committee meetings convened
- 4.8.12.3 Information on the number of wards consulted during the IDP community consultative process, including community feedback sessions conducted

**4.8.13 Disaster management**

- 4.8.13.1 The system to enable reporting on the following
- 4.8.13.2 Annual report uploading
- 4.8.13.3 Disaster Management Centres Functionality Reports by Districts (uploading)
- 4.8.13.4 Relief material stock level indicating per item i.e., tarpaulins
- 4.8.13.5 Recorded fire incidences indicating date of incident, location (area and ward), number of affected households, and number of injured person, number of fatalities, relief provided, challenges and required interventions

**4.9 RURAL DEVELOPMENT AND LAND ADMINISTRATION**

The system should assist municipalities fulfil the requirements in terms of the General Notice no. 110 of 2022 as follows:

- 4.9.1 Reporting by the municipality on the participation of the relevant Traditional and Khoi-San Leaders in the Municipal Council meeting as provided for in section 81 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
- 4.9.2 Attendance of Senior Traditional and Khoi-San Leaders of council sittings.
- 4.9.3 Participation of Senior Traditional and Khoi-San Leaders in Municipal Developmental Programmes.
- 4.9.4 Availability of enabling resources for Traditional and Khoi-San Leaders to perform their duties
- 4.9.5 Availability of physical infrastructure.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**4.10 ANNUAL PERFORMANCE REPORTS**

- 4.10.1 The system should assist Municipalities to fulfil the requirements in terms of Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
- 4.10.2 The system should assist the Department to fulfil the requirements in terms of Section 47 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)

**4.11 PROJECT MANAGEMENT**

- 4.11.1 Monitor implementation of municipal projects
- 4.11.2 Report on the implementation of the Municipal Infrastructure Grant (MIG)
- 4.11.3 Ensuring the development of Key Performance Areas for all the directorates
- 4.11.4 Ensuring that the developed Key Performance Areas comply with the SMART principles
- 4.11.5 Ensuring the development of Key Performance Targets for the developed Key Performance Areas
- 4.11.6 Conducting regular performance reviews
- 4.11.7 Ensuring compilation of performance reports
- 4.11.8 Implement a performance management system within the municipality and ensure that performance is evaluated against the performance agreement / contract
- 4.11.9 Project implementation by ensuring that project is carried out as per intended project objectives in order to deliver the results and outputs
- 4.11.10 Implementation of the work plan to ensure that the project implementation and targets are being met through monitoring
- 4.11.11 Where necessary revise the work plan in order to implement new items if the first one were not working as intended
- 4.11.12 Project communication by ensuring that weekly / bi-weekly meetings are being held to communicate the progress on the project that is being implemented
- 4.11.13 Project reporting (preparing the progress report as well as closeout reports)
- 4.11.14 Quarterly reports on all project performance

**4.12 INTERNAL CONTROLS**

- 4.12.1 Develop /Monitor Financial delegation of authority
- 4.12.2 Develop/Monitor procurement delegation of authority
- 4.12.3 Development of all relevant policies and procedure manuals
- 4.12.4 Monitor compliance and implementation of policies, procedure manuals and legislation such as the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)
- 4.12.5 Ensure risk management and audit committee are established and functional
- 4.12.6 Ensure that MPAC committees are capacitated and functional
- 4.12.7 Monitor implementation of external and internal audit remedial actions plans



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**4.13 CONTRACT MANAGEMENT**

- 4.13.1 Monitor Contract milestones and deliverables
- 4.13.2 Develop and monitor seamless payments modules, with payments linked with delivery
- 4.13.3 Visibility on the progress and delivery of all contracts in municipality
- 4.13.4 Store all contract- relayed documentation in one repository
- 4.13.5 Monitor implementation of projects

**4.14 COMPLIANCE WITH LEGISLATION**

- 4.14.1 Develop a schedule of all local government legislation
- 4.14.2 Develop a system to monitor compliance to all compulsory compliance local government legislation
- 4.14.3 Quarterly reports of all non-compliance issues

**4.15 INFORMATION REPOSITORY**

In addition to the above, the system should also provide for the following:

- 4.15.1 Incorporation and capturing of relevant municipal information, plans, documentation and reports
- 4.15.2 the system should also allow for importing of historical reports to provide a comprehensive repository of current and historical reports and information

**4.16 EXPERTISE AND REQUIREMENTS.**

Mandatory skills required from the service provider:

- 4.16.1 Knowledge and understanding of the local government environment
- 4.16.2 A specialist and proven track record in the development, implementation and monitoring of electronic monitoring and evaluation systems (preferably in provincial- and local government sphere)
- 4.16.3 Relevant knowledge of local government legislation, policies, procedure manuals and strategies
- 4.16.4 Ability and capacity to transfer skills to client staff members
- 4.16.5 Registration with Professional IT bodies and or systems developers or any other related bodies
- 4.16.6 Evidence of similar work with contactable references
- 4.16.7 Relevant qualifications and CVs of key team members



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**4.17 CAPACITY BUILDING AND SKILLS TRANSFER**

The Department considers skills development as an integral part of the out sourcing process.

4.17.1 The process should ensure that skills development and transfer is achieved within the Province (all municipalities and Departmental officials)

4.17.2 Proposals must indicate how skills development and transfer would be achieved in the Province

**5. FORMAT OF PROPOSAL**

All proposals are to respond to requirements as per the Terms of Reference (TOR).  
All proposals should be clearly indexed and easy to read.

**6. DOCUMENTATION AND CONFIDENTIALITY.**

Material and data produced within the context of the projects whether in hard, digital and/or video format shall be the property of the Department of CoGTA and Municipality concerned.

**7. GENERAL CONDITIONS OF CONTRACT**

- 7.1 This bid and all contracts will be subject to the attached General Conditions of Contract issued by the National Treasury
- 7.2 The Department and appointed Service Provider will sign a Contract of Service upon appointment
- 7.3 The Service Provider should commence rendering services to the Province from the date as agreed with the Department after receiving the letter of appointment and signed the Contract of Service
- 7.4 During the execution of the litigation, the Service Provider is required to give reports on the progress of the litigation
- 7.5 Copyright in respect of all documents and data prepared or developed for the purpose of the project by the Service Provider shall be vested in the Department
- 7.6 The successful Service Provider agrees to keep all records and information of, or related to the litigation confidential and not disclose such records or information to any third party without the prior written consent of the Department
- 7.7 The Department reserves the right to terminate the Contract in the event that there is clear evidence of non-performance and non-compliance with the Contract
- 7.8 The short-listed Service Provider may be required to do a presentation in person to the Department, at their own cost, should it be deemed necessary to do so

**8. CLIENT BASE**

Bidders must have specific experience and submit at least four recent references (in a form of written proof (s) on their company's letterhead including relevant person(s), telephone, fax numbers and e-mails) of similar work undertaken.



## **REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

COGTA reserves the right to contact references during the evaluation and adjudication process to obtain information.

### **9. ACCEPTANCE AND REJECTION**

The Department may reject any bid document if it deviates from the set criteria and reserves the right to accept or reject any bid if it does not meet the necessary requirements. The department is not obliged to accept the lowest or any bid and reserves a right to appoint more than one Bidder.

### **10. FRONTING**

COGTA supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background COGTA condemns any form of fronting.

COGTA in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist.

Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with public sector for a period not exceeding ten years, in addition on any other remedies COGTA may have against the bidder/contractor concerned.

### **11. PROHIBITION OF RESTRICTIVE PRACTICES**

11.1 In terms of section 4(1) 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:

- Directly or indirectly fixing a purchase or selling price or any other trading condition;
- Dividing markets by allocation customers, suppliers, territories or specific types of goods or services; or
- Collusive bidding.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

If a bidder(s) or contractor(s), in the judgment of purchaser, has/have engaged in any of the restrictive practices referred to above, the purchaser may, without prejudice to any other remedy provided for, invalidate the bid(s) for such items(s) offered or terminate the contract in whole or in part and refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Completion Act no.89 of 1998.

**12. SPECIAL CONDITIONS OF CONTRACT**

The following Special conditions of Contract are an extract of the final intended contract and supplementary to the General Conditions of Contract mentioned above. However, where the special conditions on contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract shall prevail.

Any misrepresentation of information provided in this bid may result in the cancellation of the Contract. It is a condition of this bid that the Tax matters of the Service Provider MUST remain compliant and in order at the time of award and for the duration of the Contract; It will be a requirement, that for the duration of the Contract if and when awarded that the successful bidder must remain in good order on the Central Supplier Database, that any bank details provided must correspond with the company registration name as applied for this bid.

The services would be considered to have been delivered when:

- 12.1 The application Source code is given by the bidder to COGTA in a DVD or any secondary device, as advised by the COGTA
- 12.2 The application is installed and all requirements and conditions are met as stated in the bid document
- 12.3 The application with all its features listed as per this bid document is up and running and available on the web.
- 12.4 The End User training is complete and all the users of the application can operate the application.
- 12.5 Source code remain the property of the Department.
- 12.6 The shortlisted bidders may be invited for presentation and demonstration.
- 12.7 The department reserves the right to invite the preferred bidder(s) for further clarity on their bids if necessary.
- 12.8 The department reserves a right NOT to appoint any service provider if it deems fit that the bid is non-responsive.
- 12.9 The Department reserves a right to appoint more than one service provider .
- 12.10 No bidder will be appointed with a Non-Compliant Tax status
- 12.11 The Department reserves a right to appoint service providers on the agreed negotiated rates.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**12.12 The proposed technology should have the following functionality and characteristics;**

- 12.12.1 The technology must be suitable for use at large operational scales (with or without further additions to the technology)
- 12.12.2 The technology must be appropriate for use by less educated persons
- 12.12.3 The technology should be easy to operate / use,
- 12.12.4 The technology should be durable, cost-effective,
- 12.12.5 The technology should integrate with the existing systems

**13. BRIEFING SESSION**

Briefing session details will be stated in the Advert. Any bidder who requires clarity may contact the relevant contacts as indicated in the advert prior the briefing date and time.

**14. EVALUATION PROCESS**

The bid will be evaluated in accordance with the Preferential Procurement Policy Framework, (PPPFA) 2000 (Act 5 of 2000) and the revised Preferential Procurement Regulations 2017 (PPR) together with all applicable and relevant Legislations and Instruction Note(s). (80 points for price and 20 points for the applicable B-BBEE status level of contribution SLC)

The Evaluation process comprises of the following phases:

**14.1 Phase I: Initial Screening Process**

**Failure to submit or adhere to the following bid documents requirements will lead to automatic disqualification.**

- 14.1.1 Submission of a Proposal with clear methodology and costing on provision of Municipal Monitoring and Support IT systems, The system must integrate with the Departmental existing IT systems
- 14.1.2 Proof of Registration as an IT Systems developer / ICT solutions providers
- 14.1.3 All SBD forms must be fully completed and signed
- 14.1.4 The clear proposal must have a detailed, quantified (3years) task with cost estimates signed by the bidder
- 14.1.5 Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures
- 14.1.6 Company Profile, including previous contract work done, value of the work and contactable references per contract.
- 14.1.7 Compliance with all the Requirements of the Advert
- 14.1.8 Registered on Central Supplier's Database and in Compliance with all requirements in particular the listed Status to avoid disqualification
  - 14.1.8.1 The Business registration status – In business
  - 14.1.8.2 Bid restrictions and defaulters status- Not Restricted
  - 14.1.8.3 Employment with the State Status. Not Government Employee



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**14.2. Phase II: Functionality evaluation as per attached Terms of Reference**

- 14.2.1 Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference.
- 14.2.2 Bidders must as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring for the respective bids will evaluate and score all bids based on their submissions and the information provided
- 14.2.3 Bidders will not rate themselves, but need to ensure that all information is supplied as required
- 14.2.4 The Bid Evaluation committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders
- 14.2.5 The BEC members will individually evaluate the responses received against the following criteria as set out below:

<b>QUALITY &amp; BID EVALUATION CRITERIA FOR PREFERENCE AND PRICE</b>		
<b>CRITERIA</b>	<b>WEIGHT</b>	
<b>Understanding of the Scope ( Presentation)</b>		
<ul style="list-style-type: none"> <li>• Deployment of Methodology, Plan, Approach and Demonstration including Programme of works with time frames and tasks (15)</li> </ul>	<b>35</b>	
<ul style="list-style-type: none"> <li>• Maintenance and Support Plan (10)</li> </ul>		
<ul style="list-style-type: none"> <li>• Training and Mentorship of Management and Personnel (5)</li> </ul>		
<ul style="list-style-type: none"> <li>• Digital Transformation Strategy: Design framework, Security, Integration and Compatibility with existing Systems (5)</li> </ul>		
<b>Staffing Profile</b>		
<p>Details of staff available for this Contract with attached CV, certified qualifications written and signed consent from relevant personnel with reference to this bid. The following technical skills or qualifications are required:</p> <p>National Certificate or NQF Level 5 =1            National Diploma or NQF Level 6 =2            Bachelor's Degree or NQF level 7 =3            Honours Degree or NQF Level 8= 4            Masters or NQF Level 9 and above =5</p> <p>To be rated on all 5 Qualifications</p> <ul style="list-style-type: none"> <li>• Software development (4)</li> <li>• Project management expert ( 4)</li> <li>• Business analyst ( 4)</li> <li>• Data scientist (4)</li> <li>• System Architect (4)</li> </ul>		<b>20</b>



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

<b>Previous Experience</b>	<b>30</b>
<p>Experience in contracts of similar value (15)</p> <p>Developed ,Maintained and Monitored IT Systems for  R30 000 to R1 000 000 =1  R1 000 001 to R2 000 000 =2  R2 000 001 to R3 000 000 =3  R3 000 001 to R 4 000 000 =4  R4 000 001 and above =5</p> <p>Attach appointment letters, orders and or Completion Certificate</p>	
<p>Experience relevant to this technical field (15 )</p> <p>Developing similar Systems for Local Government  Developed ,Maintained and Monitored Municipal IT Systems for;  1 to 2 Years =1  2 to 4 Years=2  4 to 6 Years =3  6 to 8 Years =4  8 Years and above =5</p> <p>Attach appointment letters, orders and or completion certificate</p>	
<b>Financial Ability to execute the Contract</b>	<b>15</b>
<p>Proof of financial ability (Bank Rating Letter) (15)</p> <p>Grading  A = 5  B = 4  C = 3  D = 2  E = 1</p> <p>Attach Bank rating Letter</p>	
<b>TOTAL QUALITY</b>	<b>100</b>

**Only bidders who attain a minimum of 70 percent on Functionality will qualify to proceed for further evaluation on Price and Preference points.**

- a) Each panel member will rate each individual criterion on the score sheet using the following scale:



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**1- Poor, 2- Below average, 3- Good, 4- Good, 5- Excellent**

- b) Individual value scores will be multiplied with the specified weighting for the criterion to obtain the marks scored for all elements. These marks will be added and expressed as a fraction of the best possible score for all criteria. This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 70% for functionality will be evaluated and scored in terms of pricing and socio-economic goals as indicated hereunder.
- c) The value scored for each criterion will be multiplied with the specified with weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- d) This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 70 percent for functionality will be evaluated and scored in terms of pricing and socio economic goals as indicated hereunder.
- e) Any proposal not meeting a minimum score of 70 percent functionality proposal will be disqualified.
- f) The price will not be evaluated at this stage

**14.3 Phase III: Price / Financial stage**

14.3.1 Price / Financial proposal must be submitted in South African Rand.

14.3.2 the following formula will be used to calculate the points for price in respect of this bid :

$$Ps = 80 \left( 1 - \frac{(Pt - Pmin)}{P min} \right)$$

Where

Ps= Points scored for comparative price of bid under consideration

Pt= Comparative price of bid under consideration

P min = Comparative price of lowest acceptable bid

14.3.3 The responsive bids will be adjudicated by the State on the 80/20-preference point for Broad-Based Black economic empowerment in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- Broad-based black Economic Empowerment as well as specific goals (maximum 20 points)

14.3.4 The department reserves the right to arrange contracts with more than one contractor.

14.3.5 The Preferential Procurement Policy Framework Act 2000 (PPPFA) Preferential Procurement Regulations 2017, Regulations were gazetted on 20 January 2017 (No. 40553) and effective from 01 April 2017. These bid will be evaluated as per above mentioned regulations. Bidders are required to submit B-BBEE status level certificate issued by an authorized body or person; a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act and in case a Joint Venture, a combined BBEE



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

certificate for the service providers must be provided, and subcontracting, the regulations will be followed.

14.3.6 A maximum of 20 points may be awarded to a bidder for being a Broad-Based Black Economic Empowerment and / or subcontracting with a Broad-Based Black Economic Empowerment stipulated in the Preferential Procurement regulations of 2017. For this bid the maximum number of Broad-based black Economic Empowerment status that could be allocated to a bidder is indicated below:

<b>-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
<b>NON-COMPLIANT CONTRIBUTOR</b>	0

Failure to capture the required status level on the SBD 6.1 and to submit the required B-BBEE status level certificates will lead to a zero (0) status level for non-compliant service providers

- 14.3.6.1 The points scored by a bidder in respect of the points indicated above will be added to the points scored for price.
- 14.3.6.2 Bidders are requested to complete the various preference claim forms in order to claim preference points.
- 14.3.6.3 Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for B-BBEE status.
- 14.3.6.4 Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to B-BBEE status.
- 14.3.6.5 Points scored will be rounded off to the nearest 2 decimals.
- 14.3.6.6 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.
- 14.3.6.7 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points. The bidder must submit copies of identity documents of all directors or shareholders of the company with the bid documents at the closing date and time of the bid.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**15. Phase IV: Vetting**

Shortlisted bidders will be required to undergo the vetting procedure to verify the authenticity of the submitted documents during the submission period and bidder can be eliminated if discovered that false information was submitted and this doesn't mean that the bid is automatically awarded to you.

**16. GENERAL**

- 16.1 This Contract shall be construed according to the laws of the Republic of South Africa applicable to agreements that are signed and performed within the Republic of South Africa.
- 16.2 The terms and conditions set out herein constitute the entire Contract between the Parties. No amendment or variation of whatever nature shall be binding unless reduced to writing and signed by both Parties.

**17. LEGAL IMPLICATIONS**

Successful service providers must be prepared to enter into a Contract with the Department. The Department reserves the right to award this bid on a non-exclusive basis, i.e. The Department may procure similar services outside this bid with the view of securing the best service and value for money

**18. PAYMENT**

- 18.1 When appointed the Original copies of invoices to substantiate all costs must be provided. The Service Provider's invoices should include the Department's order number that will be provided to the selected Service Provider upon acceptance of the bid. Invoices must clearly indicate the number of hours spent on the project, for what purpose those hours were spent and to what extent the objectives were achieved. No copies, faxes or e-mailed invoices from the Service Provider will be processed.

Payment to the Service Provider shall be facilitated by the Department within 30 (thirty) days of submission of invoices to the Department, which are subject to approval by the Department. No part payments shall be made to the Service Provider. Payments will be made only for work performed to the satisfaction of the Department.

- 18.1.1 This is a performance-based Contract and the Service Provider's performance shall be measured and assessed in terms of the deliverables and this clause; failure to meet the required standard by the Service Provider, the Department must-
  - notify the Service Provider in writing within 7 (seven) working days from date of the assessment to rectify the unacceptable performance; and
  - The Service Provider must rectify the unacceptable performance within 7 (seven) working days from the assessment at no extra costs.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**18.2 EXTRA WORK**

**18.2.1** Any costs for extra work by the Service Provider, incurred over and above this bid which, in the sole opinion of the Chief Financial Officer are due to reasons attributable to the Service Provider during any phase of the project shall be borne by the Service Provider.

If, after the commencement of this Contract, the cost or duration of the services is altered as a result of changes in, or addition to any statute, regulation or by-law, or in the requirement of the authority having jurisdiction over any matter in respect of the services, then the agreed fees and time for completion, may on discretion of the Head of Department, be adjusted in writing, in order to reflect the impact of those changes.

**19. COMMUNICATION**

Supply Chain Management will communicate with bidders for, among others. Where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any government official, department or representative of a testing institution or a person acting in an advisory capacity for COGTA in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

**20. COUNTER CONDITIONS**

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders will result in invalidation of such bids.

**21. MONITORING**

Bidders are to note that the Department will monitor and evaluate the project. All payment claims are to be certified by the delegated official, before payment can be effected.

**22. TAXES**

Value Added Tax at 15% must be included in the agency fees. If a bidder is not registered with SARS for VAT purposes and is awarded a bid that is above the threshold required for registration, proof for VAT registration application must be submitted within 14 days of the signing of the contract with the Department. **Failure to submit the above-stated shall result in the VAT not been paid to the Bidder.**



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**23. RIGHT TO INVESTIGATE AND SEEK CLARIFICATION**

The Department may, in its sole discretion, seek clarification, during the process. In the process of clarification, no change in the substance of the Technical Section or in the Financial Section shall be sought, offered or permitted.

The Department shall, seek all clarifications in writing and the Bidders responses shall also be in writing.

Without limiting the information above, the Department may, in its sole discretion;

- Investigate evidence of the ability and experience of a Bidder under consideration, including joint venture partners, proposed sub-contractors, and parties otherwise related to the Bidder or the Bidder's Proposal; and
- Require or seek out confirmation from other parties of information furnished by a Bidder.

**24. ASSIGNMENT/ FRONTING**

Fronting is prohibited. Any bidder found to have fronted shall automatically be disqualified. For contracts already awarded, the contract shall be cancelled and any costs borne shall be for the account of the defaulting Bidder. These costs shall include the costs of appointing another Bidder to complete the work.

**25. SIGNATURE OF AUTHORITY**

Only persons duly authorized by a company shall sign the documents that are to be submitted to the Department. A letter of authorization must accompany bid documents. In terms of joint ventures, a document of establishment of the venture must accompany bid documents. Representatives of all the parties in the joint venture shall sign the establishment document.

**26. ACCEPTANCE CRITERIA**

The appointed bidder is expected to fulfil the below acceptance criteria:

- 26.1 The bidder will provide Configuration Documentation and Installation Guide/Standard Operating Procedures (SOP), which should clearly state how to manage the web-based application, details of the database, environment and its configuration.

**27. TIME SCHEDULE**

All bids will be valid for **90 days** after closing date. In cases where the bidder fails to sign the contract of agreement or produce the required security within the required time, be unable to undertake work given or withdraw during the appointment period, the bidder shall repay the full expenses of re-advertising and preparing of new bids. This shall not apply if the Department accepts another bidder from the list.



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

**28. JURISDICTION**

The applicable legislation of the Republic of South Africa shall apply to each contract on its acceptance as *domicilium citandiet executandi*, where any legal process may be resumed on the contractor.

Each bidder binds itself to the jurisdiction and the stipulated laws of the Republic of South Africa.

**29. PRICE NEGOTIATIONS**

- 29.1 Rates will be negotiated whereby a standard rate will apply to all successful bidder(s) in terms of the market related price.
- 29.2 If the price offered by the bidder scoring the highest points is not market related, the department will negotiate a market related price with the bidder scoring the highest points or cancel the bid.
- 29.3 If the bidder scoring the highest points does not agree to a market related price the department shall negotiate a market related price with second bidder, if the bidder scoring the second highest points does not agree to a market related price the department shall negotiate a market related price with bidder scoring the third highest points.
- 29.4 If the market related price is not agreed to as envisaged by the first, second and third bidder the department shall cancel the bid.

**30. REPORTING AND ACCOUNTABILITY**

- 30.1 During the execution of the Project, the Service Provider must submit regular progress reports and attend meetings at intervals as determined by the project team or Project committee managing the Service Provider.
- 30.2 All information captured and or used to generate the outputs of the Project remains the property of the Municipality Council and the Department, and must be handed over in its totality when the project is closed. The Department will retain copyright and all associated intellectual rights thereof. This document together with all agreements to be or reached during the course of the project become part of the Contract. The information must be captured and provided in a digital format as agreed (in writing) between the Service Provider and the Department. This agreement must be reached and signed off together with the project plan before the Project commences.
- 30.3 The Project will be signed off by the Chief Financial Officer or representative when:
  - all the end products (refer to list) have been delivered,
  - a formal presentation has been made to Office of the Chief Financial Officer, and
  - the Chief Financial Officer or representative is satisfied that all requirements have been met.
- 30.4 Team members that will be directly involved in the Project will be expected to attend all progress report meetings as scheduled and agreed upon by both Parties. The selected



**REQUEST PROPOSAL FOR THE APPOINTMENT OF ONE OR MORE SERVICE PROVIDERS FOR DEVELOPMENT, IMPLEMENTATION AND MAINTENANCE OF MUNICIPAL MONITORING AND SUPPORT IT SYSTEMS FOR A PERIOD OF 36 MONTHS (3 YEARS)**

team members shall stay the same for the duration of the Project and cannot be changed without prior discussions with and approval from the Department.

30.5 The Project team will consist of appointed Service Provider/team plus a dedicated Project team as assigned by the Department and the Traditional Council.

**31 ENQUIRIES AND CLOSING DATE**

**Technical Enquiries** : Ms A Marsh  
: 013 766 1747  
**Administrative Enquiries** : Mr EE Sibiya  
: 013 766 6969  
**Closing Date** : As Per Bid Bulletin





### Application for a Tax Clearance Certificate

#### Purpose

Select the applicable option ..... Tenders  Good standing

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

Empty text box for purpose of application

#### Particulars of applicant

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

Trading name (if applicable)

ID/Passport no Company/Close Corp. registered no

Income Tax ref no PAYE ref no 7

VAT registration no 4 SDL ref no L

Customs code UIF ref no U

Telephone no Fax no

E-mail address

Physical address

Postal address

#### Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no Income Tax ref no

Telephone no Fax no

E-mail address

Physical address



## 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 interest<sup>1</sup> 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

---

<sup>1</sup> 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 consortium<sup>2</sup> 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.

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

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

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature Date  
.....  
.....  
Position Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 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 **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** 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:

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

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.



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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 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		
<b>OR</b>		
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 .....

.....

.....

## DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

### 1. General Conditions

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

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

Where

- x is the imported content in Rand  
y is the bid price in Rand excluding value added tax (VAT)

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

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

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;
2. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

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

3. Does any portion of the goods or services offered have any imported content?  
(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

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

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

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

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

**IN RESPECT OF BID NO. ....**

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

NB

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

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

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

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

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**  
**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

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

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

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

**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.**

.....  
**Signature**.....

.....  
**Date**.....

.....  
**Position**.....

.....  
**Name of Bidder**.....

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. 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 consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.

<sup>3</sup> 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.

10. 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2

# **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](http://www.treasury.gov.za)

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

10.2 Documents to be submitted by the supplier are specified in SCC.

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services:

#### **14. Spare parts**

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier; provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

#### **24. Anti-dumping and countervailing duties and rights**

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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

Js General Conditions of Contract (revised July 2010)