



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

REQUEST FOR BID

TCF 03: 2023/24

The Appointment of a Service Provider for Provisioning of COMPEASY (Claims Management System) Development, Maintenance and Support at the Compensation Fund for a period of five (5) years.

ISSUE DATE:

04 August 2023

CLOSING DATE AND TIME

25 August 2023 at 11H00am

Non-Compulsory briefing session will be held at:

The Compensation Fund
167 Thabo Sehume Street
Delta Heights Building (PQ)
Pretoria, 0001

Briefing session date: 14 August 2023 @ 10H00am

Enquiries can be sent to SCM.Enquiries@labour.gov.za

NB: The cut-off time to receive enquiries is 72 hours before the closing date

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PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COMPENSATION FUND(CF)					
BID NUMBER:	TCF 03:2023/24	CLOSING DATE:	25 August 2023	CLOSING TIME:	11:00 am
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMEPESATION FUND FOR A PERIOD OF FIVE (5) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
167 Thabo Sehume Street					
The Compensation Fund, Delta Heights Building					
Pretoria, 0001					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	scm.enquiries@labour.gov.za		E-MAIL ADDRESS	scm.enquiries@labour.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]
	☐ Yes ☐ No				☐ Yes ☐ No

APPOINTMENT OF A SERVICE PROVIDER FOR PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPESATION FUND FOR A PERIOD OF FIVE (5) YEARS.

[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]			
1. ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	2. ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.			

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

2. TAX COMPLIANCE REQUIREMENTS

- 2.1. BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2. BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6. WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

TERMS OF REFERENCE

FOR

**PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT,
MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF
FIVE (5) YEARS**

DEPARTMENT OF EMPLOYMENT AND LABOUR COMPENSATION FUND



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1. PURPOSE

In order to deliver against its mandate, the Compensation Fund needs to improve its efficiency, effectiveness, security and information reliability to deliver more with less. This drive for better, faster and cheaper service delivery is required to be delivered with the relevant controls in terms of best practice and good governance in a cost effective manner. A key element in this move towards effectiveness and efficiency is the use of ICT that drives connectivity with the Compensation Fund customers. It is the CIO's vision "to contribute to the Departmental vision through the provision of ICT solutions and services" and the mission is to SERVE the Department. This is an acronym that completely echoes the SERVE mission:

Strategic direction – Maintain and champion the strategic direction for ICT in the department;

Efficiency – Maximize the efficiency of the ICT organization as well as provide solutions to improve business efficiency;

Reliable and stable operations – Ensure stable and predictable ICT service and solution delivery;

Value creation – Contribute to citizen value creation through the delivery of value adding projects and initiatives; and

Empowerment – Contribute to the local ICT labour market through selectively building core and scarce ICT skills in the Department with and through ICT industry partners.

The main purpose of publishing this Terms of Reference is to source a Service Provider that will provide development, maintenance and support services for the Compensation Fund's Claims Management System (CompEasy).

2. EXECUTIVE SUMMARY

The Compensation Fund herein under referred to as the Fund, is a public entity of the Department of Employment Labour herein under referred to as the DEL. The Fund administers the Compensation for Occupational injuries and Diseases Act no. 130/1993 as amended by the COIDA 61/1997. The main objective of the Act is to provide compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees, or for death resulting from such injuries or diseases and provide for matters connected therewith.

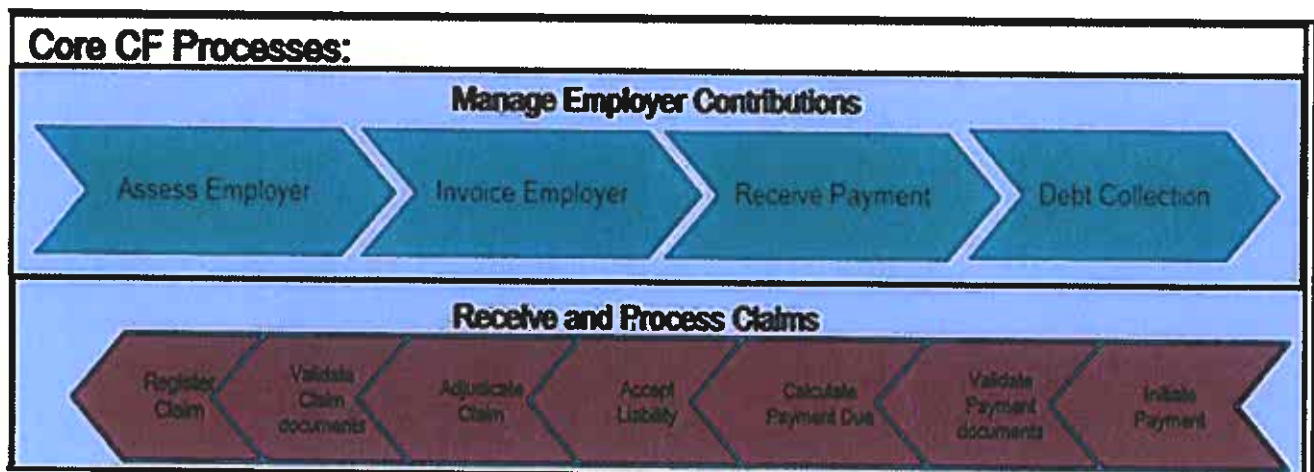
PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

In order to fulfil this mandate, the Fund has embarked on a development and successfully delivered a new claims management system (CompEasy) through the eCOLD project. The CompEasy system went live in October 2019 with a mandate to ensure effective online claims registration, electronic submission and document management, adjudication and processing of registered claims, automated compensation benefits calculations, automated medical claims processes, payments processing and reporting.

The main function of the Fund is to collect revenue and pay medical service providers including compensation benefits to employees. This function requires an electronic service oriented operational system, to administer CORDA with online registration and underwriting of employers, registration of claims, and processing and payment of benefits to ensure accuracy and consistency.

In line with its strategic goal the Fund wants to deliver faster and reliable CORD services. The ideal systems must therefore incrementally help the CF to reach an optimized, uninterrupted service continuation, improved customer satisfaction and overall process efficiencies.

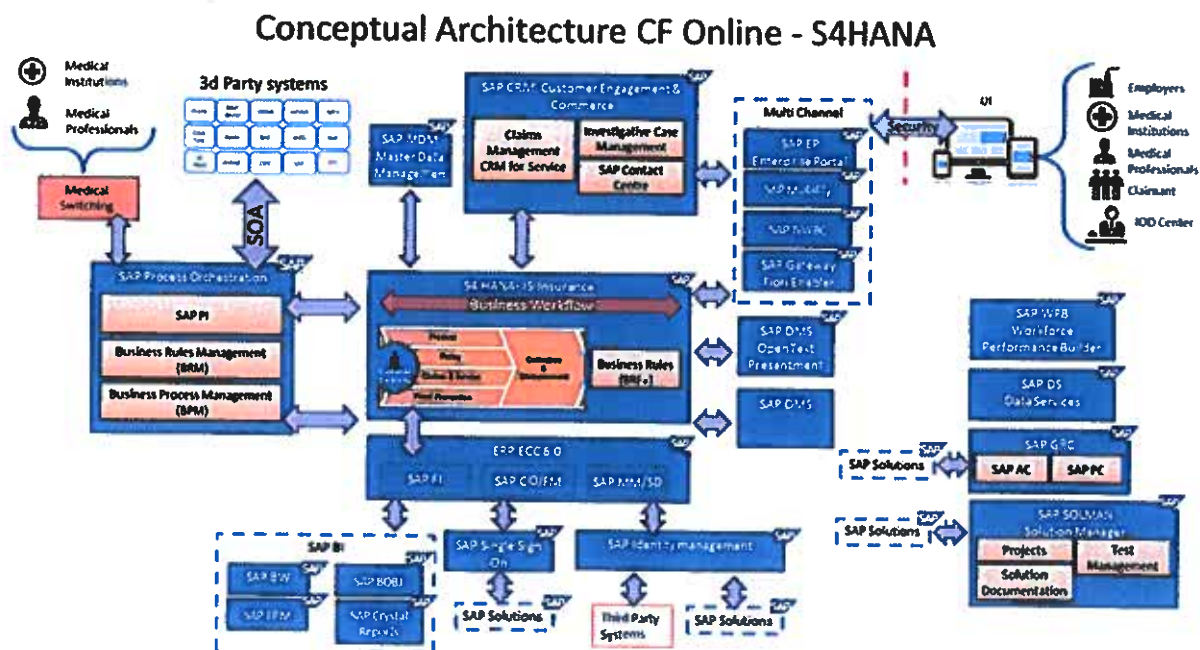
The core business processes are depicted in the below figure:



3. BACKGROUND

The support and maintenance of the CompEasy system commenced in October 2019 for a five (5) year period. The support and maintenance is currently executed by an external service provider due to limited capacity within the Fund.

The below diagram depicts the current CF SAP modules to be supported, maintained and enhanced.



PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

- b) Ensure accuracy and consistency of processes and data on the CompEasy system.
- c) Compliance with the ICT requirements in terms of policies, procedures and standards set out which include, IT best practices and related legislation of the South African Government.

6. SCOPE OF WORK AND DELIVERABLES

The current SAP support model is based on a full complement of SAP support consultants. Thus, the Fund requires the strategic bidder to provide adequate resources per business process area as listed below to provide development, support, maintenance and monitoring of the current SAP landscape through industry best practices, processes and methodologies.

6.1 SAP skills required

The required skills per module are specified in the table below:

Business Process Area	SAP Solution / Module	Minimum Skills Required
Corporate Governance	SAP GRC Access control / SAP GRC Process control(Authorization will cut across all the processes) GRC Risk and GRC Access control and GRC Audit manage and GRC Audit	K level 4 Certified GRC Risk and GRC Access control and GRC Audit,
	SAP Business Workflow (Workflow will cut across all the processes)	K level 4 Certified ABAP Developer
		K level 4 Certified Claims and Finance with an integration background (an individual that understands all the claims and finance processes and how they intersect with each other)
Customer engagement	CRM for service/Investigation case management/SAP contact center	K level 4 Certified SAP CRM
Multi-channel access	Netweaver Portal/ Netweaver Business Client (Front end)/SAP Mobility	K level 4 Certified SAP Basis Consultant
User registration for CompEasy access	SAP IDM (Identity management)/SAP Data services/SAP presentation	K level 4 Certified SAP IDM consultant (Identity management)

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(Employers/MSP/Third Parties)		K level 4 Certified ABAP Developer certified
		K level 4 Certified Fiori UI5 Developer
		K level 4 Certified SAP Business Workflow (to support corporate governance, customer engagement and user registration)
SAP Claims management	Core insurance operations: Product configuration/Claim handling configuration/User interface configuration(BDT), Tasks handling, Structured Facts capture (SFC), Claim fulfilment, Claim recovery, Claim handling supporting features and Integration, Product/Policy/claims and service, fraud prevention/Collections & Disbursements.	K level 4 Certified Claims Consultant
		K level 4 Certified FICO
		ICD10 clinical coding experience i.e nurse or doctor who will work on adjudication of claims processes
		K level 4 Certified ABAP Developer
		K level 4 Certified Fiori UI5 Developer, minimum 4+ years technical and functional experience
Registration of claims (Internal and External)	Customizable COIDA BRF Rules engine according to the Claim type.	K level 4 Certified Claims Consultant, minimum 4+ years technical and functional experience
		K level 4 Certified ABAP Developer, minimum 4+ years technical and functional experience
		K level 4 Certified Fiori UI5 Developer, minimum 4+ years technical and functional experience
Automated adjudication and processing of registered claims	Business Partner master data maintenance (Business partner roles, banking details individuals and organizations, address, contact number, ID Types)	K level 4 Certified Claims Consultant, minimum 4+ years technical and functional experience
		K level 4 Certified FICO, minimum 4+ years technical and functional experience
		ICD10 clinical coding experience i.e nurse or doctor who will work on

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		adjudication of claims processes, minimum 4+ years technical and functional experience K level 4 Certified ABAP Developer, minimum 4+ years technical and functional experience K level 4 Certified Fiori UI5 Developer, minimum 4+ years technical and functional experience K level 4 Certified XI/PI Developer (DoHA,CIPCS), minimum 4+ years technical and functional experience
Administration/Calculation of Compensation Benefits and Pension Benefits.	Master data maintenance (Compensation Benefits Catalogs) Fatal Pensions benefits calculation: PD Pension above 31% benefits calculation PD Lumpsum below 31% benefits calculation TTD and TPD benefit calculation	K level 4 Claims Consultant, minimum 4+ years technical and functional experience K level 4 Certified FICO K level 4 Certified ABAP Developer K level 4 Certified Fiori UI5 Developer K level 4 BRF + consultant
Stakeholder automated communication on claims status	Correspondences, SMS, Award Letters	K level 4 Certified SAP Business Workflow
Compensation /Pension benefits Payments (Open items per benefit type/Pension run)	SAP FICA or SAP FSCD	K level 4 Certified SAP FI - CA or K level 4 Certified SAP-FSCD (Preferably a consultant with both knowledge) K level 4 Certified ABAP Developer K level 4 Certified BRF+ consultant K level 4 Certified BOBJ Reports developer
Medical Claims engagement(Medical	Customizable medical codes BRF rules engine according to Modifiers, benefit type and	K level 4 Certified SAP FI-CO (with experience in Billing / clinical coding)

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switching/Fiori Invoice APP)	ICD10. Master data maintenance (Medical Catalogs)	K level 4 Certified ABAP Developer
Automated medical claims processes to ensure accuracy and consistency	Business Partner master data maintenance (Business partner roles, banking details medical service providers, address, contact number, ID Types)	K level 4 Certified ABAP Developer
		K level 4 Certified XI/PI Developer (switching houses, AVS, BHF)
		ICD10 clinical coding experience i.e nurse or doctor who will work on medical invoices, billing and claims
		K level 4 Certified Fiori UI 5 Developer
Medical claims Payments (Open items per benefit type)	SAP FICA or SAP FSCD	K level 4 Certified SAP FI - CA or K level 4 Certified SAP-FSCD (Preferably a consultant with both knowledge)
		K level 4 Certified BOBJ Reports developer
		K level 4 Certified BRF + consultant
Finance and FICA/FSCD Integration processes and disbursement	SAP FICA or SAP FSCD: Payments made to the Bank/ Settlement, Reversal of financial transactions, Returns to the Bank	K level 4 Certified SAP FI - CA or K level 4 Certified SAP-FSCD (Preferably a consultant with both knowledge)
Medical services system engagement (Pre-authorization)	SAP	K level 4 Certified ABAP Developer (The same resource can combine Pre-authorizations, RR, Orthotics and Vocational rehabilitation.
Rehabilitation and Orthotics system engagement (Case management)		K level 4 Certified Fiori UI 5 Developer (The same resource can combine Pre-authorizations, Rehabilitation Re-integration, Orthotics and Vocational rehabilitation.

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Vocational Rehabilitation (Case management and Re-integration)		K level 4 Certified BOBJ Reports developer (The same resource can combine Pre-authorizations, RR, Orthotics and Vocational rehabilitation.
SAP DMS(Document management): Document storage at all steps	Open Text	K level 4 Certified Open text consultant
Business Intelligence(Reporting)	SAP BW/Standard SAP Reporting/SAP Business intelligence (BOBJ)/SAP Crystal reports	K level 4 Certified BOBJ Reports developer
Change enablement	SAP WPS (SAP WPB Enterprise Edition)	K level 4 Certified SAP Basis
	CHARM	
	SOLMAN	
	SEN	
Supporting components	SAP SSO (Single sign on),/SAP IDM (Identity management)/SAP Data services (MDG)/SAP presentation/Training/Project Management/ Service Delivery	K level 4 Certified SAP Basis
		K level 4 Certified Trainers
		K level 4 Certified SAP Program Manager
		K level 6 Lead Consultant/Project Implementation Manager/Implementation Specialist
		K level 4 Certified SAP Support Manager (ITSM experience)
		K level 4 Certified SAP Project Administrator
Integration claims database - 3rd Party Insurance-SOA	SARS data/Partner Data/Medical service provider(BHF)/Company registration(CIPC)/Home affairs/HPC (Health Professional council)	K level 4 Certified SAP XI/PI Developer

The Fund requires a combination of both on-site full-time equivalent and off-site resources provider. The work to be accomplished by the appointed service provider shall consist of, but not limited to the following:

PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

Database management, software development, training, support and maintenance services for SAP S/4HANA for a period of five (5) years. These services include, but are not limited to, the following

- 5.1.1. Development, maintenance and support of CompEasy System and supporting modules as listed in paragraph 6.1 of business process area;
- 5.1.2. Data migration maintenance and support;
- 5.1.3. Continuous system upgrades and patch management;
- 5.1.4. Implement system enhancements through approved change requests;
- 5.1.5. Timeously resolve and close logged technical calls with provisioning of the root cause analysis (RCA) where required;
- 5.1.6. Adhere to the Fund's change management processes prior to change implementation;
- 5.1.7. Provide skills transfer to the Fund's resources;
- 5.1.8. Provide training periodically on system functionality;
- 5.1.9. Create and update the training material on the SEN training portal;
- 5.1.10. Integration with the internal CF Systems;
- 5.1.11. Usage of CHARM to manage approvals and transports;
- 5.1.12. SOLMAN maintenance and support;
- 5.1.13. Collaboration and support for the implementation of underwriting, finance and HR modules to enable smooth end-to-end functioning of system
- 5.1.14. Platform upgrade as per the SAP standard (in end of year 3 or beginning of year 4 of contract)

6.2 Transition Services

The bidder is required to take over the services from current incumbent during this phase and the same will be required when services are handed over in year 5 to the next incumbent.

The following deliverables will be expected:

- Transition in project charter and plan
- Shadow & share between incoming and current incumbent for a period of 3 months
- Due diligence report of services at take-over and handover
- Turnaround and transformation plan for services

6.3 Technical Specification

This terms of reference sets forth the roles and responsibilities of the Service Provider for the delivery of support and maintenance services for the Fund's SAP S/4HANA environment. The schedule of work and defined deliverables has to be agreed on an annual basis and documented in a Service Level Agreement that will be signed and reviewed annually. The schedule of deliverables may be revised at a three-month interval as more details about the deliverables become evident after business analysis and technical designs are completed. Monthly deliverables are confirmed ahead of time per month and signed-off for payment schedules at the end of each month.

The appointed service provider and business manager will be responsible for jointly managing and reporting on the project deliverables to the CF ICT Project Steering Committee. Each project phase will be controlled by a project milestone which has an

PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

associated quality certificate that must be achieved, with the CF ICT project steering committee as an enabling factor to proceed to the next project phase of the project.

Reporting on maintenance and support deliverables will be done in the CF CompEasy Operations forum. All items will follow the SDLC process, and items will be confirmed as delivered and deployed by means of an Acceptance Certificate that is signed by the responsible business manager / Chief Director.

The service provider must provide a team with adequate qualifications, certifications and experience to complete the agreed deliverables within the agreed time and costs. The same is applicable for any new resources allocated or exchanged for already engaged resources within the support team.

The services are defined as follows:

6.3.1 Day-to-day support and maintenance services

The activities associated with repairing defects and developing minor functional enhancements.

This service also includes System Performance, Availability and Optimization.

6.3.2 Customization and enhancement services

These activities are associated with customization, configuration of existing modules and/or major enhancements.

- a) Minor Changes: Performing minor changes to existing SAP modules, where a change fix constitutes a change less than 40 hours of effort through service level agreements.
- b) Major Enhancements: Perform major enhancements to existing SAP modules, where a major enhancement constitutes a change exceeding 40 hours of effort including the specification, documentation, programming, testing and implementation efforts.

The bidder must provision a bucket of fifty thousand (50 000) hours - ten thousand (10 000) hours per annum - for the duration of the contract (five (5) years) for new requirements that will be submitted by the Fund. The requirements will be submitted in a form of a change request; the bidder will be required to provide an estimated effort for the implementation. The approval will be granted by the Fund for the service provider to proceed with the implementation of the change request. In case there are no new requirements for the remainder of the 10000 hours for that particular year, the amount will be carried over to the next year). In cases where the ten thousand (10 000) hours allocated for the year are depleted, the next year's hours can be utilized for such additional work

6.3.3 Roles and Responsibilities

The clarification of roles and responsibilities between the Fund and the service provider needs proper understanding by the bidder. At a high level these roles and responsibilities within Fund are grouped under one heading "Fund" and those of the service provider under the heading "Provider".

The following tables will identify roles and responsibilities where "X" is placed in the column under the party that will be responsible for performing the task.

6.3.3.1 SAP Strategy and Planning

SAP Strategy, and Planning service is defined as setting overall SAP S4/HANA application Strategy, high level SAP Architecture and planning associated with the SAP Portfolio. The service also includes research of new trends and investigation of opportunities to improve the efficiency and effectiveness of the CompEasy system.

Table 1. SAP Strategy and Planning

SAP STRATEGY AND PLANNING ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Maintain "End State" SAP S4/HANA Architecture	X	
2. Develop, document and maintain SAP S4/HANA Roadmap	X	
3. Develop and maintain release specific SAP S4/HANA architectures	X	
4. Approve SAP S4/HANA architecture plans and designs		X
5. Identify and document SAP S4/HANA Integration Architecture	X	
6. Identify and document data conversion architecture	X	
7. Evaluate and recommend software technologies, packages, and tools within the SAP suite	X	
8. Participate in feasibility studies for the implementation of new technologies	X	
9. Collaborate with Infrastructure Architecture and Information Security teams	X	
10. Develop SAP S4/HANA procedures and provide inputs to standards and policies	X	
DATA ARCHITECTURE ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Develop and maintain the Fund's High Level (e.g. entity vs field) Logical Data Model for Transactional and Reporting requirements		X
2. Develop and maintain physical database	X	
3. Evaluate SAP S4/HANA Package Data Models against Fund's requirements	X	
4. Review results of SAP S4/HANA Package Data Model evaluations		X

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PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

SAP STRATEGY AND PLANNING ROLES AND RESPONSIBILITIES	PROVIDER	FUND
5. Provide the Fund's Master Data Standards in collaboration with the Fund's Data Team (consultants)	X	
6. Conduct Data Quality Assessments		X
APPLICATION INTEGRATION ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Assess process re-engineering methodologies		X
2. Conduct semi-annual technical reviews	X	
3. Monitor technical trends through independent research; document and report on products and services with potential use for the Fund	X	
PERFORM BUSINESS LIAISON FUNCTION TO OPERATIONAL UNITS	PROVIDER	FUND
1. Recommend overall systems development life cycle process improvements, including those for which Fund retains responsibility	X	
2. Conduct annual technical and business planning sessions to establish standards, architecture and project initiatives		X
3. Participate in annual technical and business planning sessions to establish standards, architecture and project initiatives	X	
4. Perform SAP S4/HANA operational assessments for capacity and performance purposes	X	
5. Perform SAP S4/HANA security planning and development in liaison with the information security team in DEL	X	X
6. Recommend potential improvements to SAP S4/HANA security architecture	X	
7. Identify possible product and software tool enhancement opportunities for improved performance and potential cost savings	X	
8. Performing project estimation using a commercial project estimation tool that can size application projects and can categorize them by level of effort (e.g. minimal, medium, difficult)	X	
9. Approve projects to implement product enhancement opportunity		X

6.3.3.2 Requirements Definition

Requirements definition services are the activities associated with the definition and assessment of user requirements that are used to determine detailed application design. The following identifies the roles and responsibilities associated with Requirements Definition services.

Table 2. Requirements Definition Roles and Responsibilities

Requirements Definition Roles and Responsibilities	Provider	Fund
1. Act as primary point of contact with the business to define, gather, refine, and prioritize business requirements.		X
2. Develop and document business requirements	X	
3. Approve business requirements documents		X
4. Conduct interviews, group workshops and surveys to determine technical, functional and end user requirements	X	
5. Develop functional requirements documents, logical and physical data models	X	
6. Conduct value assessments of functional requirements and generate an impact analysis, including affected SAP modules, alternative design scenarios, etc.	X	
7. Approve all functional requirements		X
8. Develop system test plan (e.g. functional, volume, end-to-end, integration, stress, regression, security, system, and user acceptance test if applicable)	X	
9. Approve system test plan (e.g. functional, volume, end-to-end, integration, stress, regression, security, system, and user acceptance test if applicable)		X

6.3.3.3 SAP application development/maintenance

SAP application development/maintenance services are the activities associated with the ABAP programming, development, scripting, configuring or customizing of modules using the information from the previous phases as critical input. The following table identifies the underlying roles and responsibilities associated with Programming and Development services.

Table 3. Programming and Development Roles and Responsibilities

SAP application development / maintenance Roles and Responsibilities	Provider	Fund
1. Architect, design, develop, deploy and support the solution	X	
2. Perform event management monitoring of application to detect abnormal conditions or alarms, log abnormal conditions, analyse the condition and take corrective action	X	
3. Manage software to meet SLRs, minimize downtime and minimize the Fund's resource requirements	X	

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4. Manage and coordinate subcontractors and third parties in order to meet service and SLR requirements		X
5. Develop and provide operational reports (daily, weekly, monthly) that provide status of operational activities, production issues and key operational metrics	X	
6. Perform SAP data base administration functions	X	
7. Recommend modifications and performance-enhancement adjustments to the Fund's system software and utilities based on Fund's performance standards	X	
8. Manage all programming and development efforts using industry-standard project management tools and methodologies	X	

6.3.3.4 Integration and Testing

Integration and testing services are the activities associated with the confirmation that the individual program components work together properly and as a whole perform their specified functions. This includes SAP interfaces to other applications already in production or being developed by the Fund.

The following identifies the roles and responsibilities associated with Integration and Testing services.

Table 4. Integration and Testing Roles and Responsibilities

INTEGRATION AND TESTING ACTIVITIES ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Approve all integration, user acceptance and system security testing plans for new and upgraded equipment, software or services		X
2. Create test cases, test data and perform all appropriate testing (unit testing, end-to-end testing, stress testing, regression testing)	X	
3. Create test environment and data where required by project, including demonstration of requirements traceability to verify the requirements as specified in the Requirements Document have been satisfied	X	
4. Perform independent testing of SAP (testing team must be separate from the Development team)		X
5. Review and approve testing		X

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INTEGRATION AND TESTING ACTIVITIES ROLES AND RESPONSIBILITIES	PROVIDER	FUND
6. Coordination of user acceptance and assurance testing (i.e gain user involvement (internal & external where appropriate), establish and define acceptance criteria, setting high-level test objectives, establish high level test scenarios)		X
7. Facilitate and support User Acceptance Test (establishing adequate test environment based on User Acceptance Criteria, preparing data to support test scenarios within modified system as well as managing the relationship with all interfaced systems necessary to conduct test, troubleshooting, support users to progress through scenarios, simulating interfaces or working with integrated systems to conduct end-to-end tests, support batch processing, exercise functionality, and report results) as prescribed by the Fund.	X	
8. Conduct user acceptance testing		X
9. Validate all new and upgraded software or services for compliance with the Fund's systems security policies		X
10. Manage the Fund's functional, integration, and regression test environments and associated test data including creation and maintenance during the testing period	X	
11. Review testing results for compliance with policies, procedures, plans, and test criteria and metrics (e.g. defect rates, progress against schedule, etc.)		X
12. Provide shared access to the mutually agreed Defect Tracking System for purposes of allowing the Fund to initiate, track, and report on found defects (i.e., during user acceptance testing).	X	
13. Notify Provider in the event of discrepancies between the business requirements and the requirements document or Provider's deliverables		X
14. Correct defects found as a result of testing efforts	X	
15. Conduct selective random independent testing, where the random selection includes some complex modules (i.e., independent verification and validation testing)		X
16. Staging systems before implementation	X	

6.3.3.5 Implementation and Migration

Implementation and data migration services are the activities associated with the extraction, transformation and loading of migrated data to the production environment. The following table identifies the roles and responsibilities associated with Implementation and Migration services.

Table 5. Implementation and Migration Roles and Responsibilities

IMPLEMENTATION AND MIGRATION ACTIVITIES	PROVIDER	FUND
1. Perform data migration from existing systems to new systems, by electronic or manual methods	X	
2. Data cleansing, enrichment and mapping	X	
3. Data validation and verification	X	
4. Provide data management services and reporting	X	
5. Conduct post implementation user acceptance		X
6. Provide system and user documentation	X	
7. Create "go/no-go" checklist and conduct the "go/no-go" meetings		X
8. Approve production implementation "go/no-go" decisions		X
9. Deploy system	X	

6.3.3.6 Change Management

Change Management activities include services required to appropriately manage and document impact analysis, version control, library management, turnover management, build management, parallel development changes to the system and any of the constituent components being developed. Change Management also includes services required to appropriately manage and document changes to the underlying system development environment components. These include the following:

- I. Library Management—the classification, control and storage of the physical components of an application
- II. Version Control—the maintenance, tracking and auditing of modifications to an application's components over time, facilitating the restoration of an application to prior development stages
- III. Turnover Management—the automated promotion of software changes across different phases of the life cycle (e.g., development, unit test, systems test and production), including management of the approval process, production turnover and software migration control.

Any changes to the baseline project plan or committed maintenance or enhancement dates must be managed by the change management process and approved by the Fund. This system shall include formal and documented change management procedures, and define the paperwork, tracking systems and approval levels necessary to authorize changes such as a change to the scheduled end date for a particular work product in a form of a project change request (PCR) document, which is a standard form describing the type of change/issue, the rationale behind it, and related schedule and cost changes.

The following table identifies the roles and responsibilities associated with Change Management services.

Table 6. Change Management Roles and Responsibilities

CHANGE MANAGEMENT ACTIVITIES ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Plan and estimate routine and emergency downtime periods	X	
2. Review planned and emergency changes to the change control board for approval.		X
3. Present solution for approval to the Enterprise Architecture Committee (if applicable)		X
4. Submit changes to the Change Control Board for Review		X
5. Communicate changes and downtime to the stakeholders		X
6. Coordinate communication and changes with other stakeholders	X	X
7. Implement approved changes	X	
8. Test the implemented work before commissioning	X	
9. Report performance against service-level requirements	X	

6.3.3.7 Training and Knowledge Transfer

The following identifies activities and roles and responsibilities associated with Training and Knowledge Transfer services.

Table 7. Training and Knowledge Transfer Activities Roles and Responsibilities

TRAINING AND KNOWLEDGE TRANSFER ACTIVITIES ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Develop training and knowledge transfer plan	X	
2. Approve training and knowledge transfer plan		X
3. Provide technical training assistance and knowledge transfer to existing support personnel, during deployment as requested	X	
4. Provide training materials related to the technical aspects of SAP	X	
5. Provide End-User training content for SAP	X	
6. Review and validate training content		X
7. Provide continuing end-user training for improving "how-to-use" skills related to SAP	X	
8. Create and maintain training instances or clients	X	
9. Develop, document and deliver training that support the ongoing provision of the Fund's services, including refresher courses as needed and work instruction on new functionality	X	
10. Provide training facilities, subsistence & travel and ensure user-attendance		X

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6.3.3.8 Documentation

Documentation services are the activities associated with developing, revising, maintaining, reproducing and distributing information in either hard copy or electronic form that is performed as part of a Service Request. Documentation related to SAP services includes:

- I. System specifications and documentation
- II. End-user documentation
- III. Site and system security plans
- IV. Updates and release notes.
- V. Solution Manager maintenance

The following table identifies the roles and responsibilities associated with Documentation services.

Table 8. Documentation Roles and Responsibilities

DOCUMENTATION ROLES AND RESPONSIBILITIES	PROVIDER	FUND
1. Recommend specifications and documentation format and content as per industry best practice standards	X	
2. Approve documentation format and content		X
3. Provide system specifications and documentation	X	
4. Provide system installation, support, configuration and tuning manuals	X	
5. Provide SAP system software requirements documentation	X	
6. Provide logical and physical data model	X	
7. Provide SAP security procedures	X	
8. Develop standard operating procedures	X	X
9. Prepare updates and release notes	X	
10. Deliver updates and release notes	X	
11. Document version control for all documentation	X	
12. Provide documented SAP business continuity in an event of a major incident	X	X
13. Approve documented SAP business continuity in an event of a major incident		X
14. Approve documentation delivered		X

6.3.3.9 Database Administration

Database Administration Services are the activities associated with the maintenance and support of existing and future databases. This includes responsibility for managing data, namely data set placement, database performance, and data recovery and integrity at a physical level. The following table identifies the Database Administration roles and responsibilities that Provider and the Fund will perform.

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Table 14: Database Administration Roles and Responsibilities

Database Administration Roles and Responsibilities	Provider	Fund
1. Define Database administration requirements and policies including authorization requirements for End-Users, roles, schemas, etc., and approve Change requests		X
2. Develop and document in the Standards and Procedures Manual Database Administration procedures that meet requirements and adhere to defined policies	X	
3. Review and approve Database Administration policies, standards and procedures		X
4. Provide security administration including managing roles and End-User database permissions in accordance with the Fund's policies and procedures		X
5. Perform database restores from export dumps or backups	X	
6. Create/refresh development/test/QA databases from production data	X	
7. Execute authorization Service Requests	X	
8. Define and provide database creation, configuration, upgrade, patches and refresh requirements		X
9. Execute database creation, configuration, upgrades, patches and refresh	X	
10. Execute all database system-level changes (initialization parameters)	X	
11. Execute all schema changes for all instances	X	
12. Maintain documentation for database instance parameters and system settings (configuration document)	X	
13. Maintain consistent database parameters and system settings across all like instances; consistency must be maintained according to established development to QA to production life cycle	X	
14. Define database definition and manipulation requirements for SAP and developer schemas		X
15. Execute database data definitions for SAP and developer schemas	X	
16. Define and execute database performance and tuning scripts, and keep database running at optimal performance for Fund's workload	X	
17. Implement and administer appropriate database management tools for database instances. Performance metrics and historical data must be available for trending and reporting over a minimum of 12 months	X	

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Database Administration Roles and Responsibilities	Provider	Fund
18. Identify locking conflicts, latch contention, rollback requirements, etc., for system database instances	X	
19. Resolve locking conflicts, latch contention, rollback requirements, etc., for database instances		X
20. Provide data dictionary expertise, End-User data assistance, Data Warehouse Metadata definition, data mapping functions and creation of data cubes		X
21. Monitor database and log Help Desk Trouble Tickets for Problems	X	
22. Open, track and manage to Resolution all database Problems	X	
23. Patch database Software to established development to QA to production life cycle	X	
24. Manage database communication Software configuration, installation and maintenance	X	
25. Provide database storage management	X	
26. Define database backup schedules, retention periods, levels (i.e., full, incremental or differential) and ensure they are communicated to the responsible backup team		X
27. Execute the database backup and recovery policies in conjunction with the backup team	X	
28. Ensure that the database is secured (ensure hardening of database)	X	
29. Respond and provide information for audit purposes	X	
30. Ensure remediation of audit findings and vulnerability assessments and any other findings that might be received	X	
31. Provide information as and when requested during investigations	X	
32. Provide advice in terms of the capabilities of the Solution(s) where required	X	
33. The Solution(s) are used to its fullest and in relation to the environment in terms of network, etc.	X	
34. Ensure that the logs for the operating system(s) as well as the solution(s) is stored securely and being backed up	X	
35. Provide detailed analysis of the solution(s) logs	X	

6.4 Service Management

A key objective of Service Management is to simplify Service Level Requirements (SLRs). Service Level Agreements (SLAs) and Project-specific SLAs are specified with fee reductions where business is impacted through failure to meet significant mission critical system or service, or project milestones or objectives warrants a reduction in fees paid when service performance requirements are not met. SLRs are detailed in the below table. Provider shall

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provide written reports to Fund regarding Provider's compliance with the SLRs specified below.

6.4.1 Service Level Requirements (SLRs)

The following minimum service levels are required at the end of the Transition Period. Provider must consistently meet or exceed the following SLRs. SLRs associated with fee reductions will be detailed in the Service Level Agreement.

Table 9. System/Modules Development SLRs

DEFINITION	Project Management tools and practices should be employed by the provider for managing the application development work effort estimation and service request processes to ensure consistency, accuracy, and timeliness during the initial start-up period. Application Development Productivity Requirements that Provider must meet during the initial start-up period for the application development work to minimize work defects and ensure timeliness of product delivery.
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SAP ENHANCEMENT SERVICE LEVEL REQUIREMENTS				
Service Type	Service Measure	Performance Target	Minimum Performance %	MEASUREMENT INTERVAL
Project Estimation Methods and Tools Used for Cost and Schedule	Target time	100% of projects	100%	Monthly
Project time estimation (actual time vs. estimated time)	Target time	Actual time estimate	Actual - Not more than +/- 15% of estimate	Monthly
Service Requests	Target Time	Deliver request within target time	<3 days 95%	Monthly
Milestone Completion – Milestones on the Critical Path	Completion Date	Completion of milestones by scheduled completion date	100%	Weekly
Milestone Completion – All Milestones NOT on Critical Path	Completion Date	Completion of milestones by scheduled completion date	100%	Weekly

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SAP ENHANCEMENT SERVICE LEVEL REQUIREMENTS				
Service Type	Service Measure	Performance Target	Minimum Performance %	MEASUREMENT INTERVAL
Functional Requirements Met	Scale-based Opinion Survey	4.5 or higher on a 5 point scale	100%	Project Completion
Quality	Deviations from Specifications	Less than 2% errors/defects found during UAT	98%	Monthly
	Formula	Performance = Transactions completed within required time/Total Transactions		
	Reporting Interval	Monitor Continuously, Report Monthly		
	Measurement Tool	ITSM tools		

Table 10. System/Modules Support and Maintenance SLRs

DEFINITION	System/Modules Support and Maintenance Service Level Requirements are the performance metrics related to the services that the Provider must provide on an ongoing basis in support of production systems in response to reported work defects and requests for changes in the systems/modules.
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Priority 1 (Emergency):

Complete loss of a critical business function already in production, no reasonable workaround exists

Priority 2 (High):

Partial loss of critical business function already in production and/ or significant degradation of ability to provide service to the Fund. Incidents with any application / database which is important to a Fund's business or operations and which make the application / database unusable or unavailable; a reasonable workaround does exist.

Priority 3 (Medium):

Degradation or loss of non-critical business functions already in production. Users can continue operating with the results being adequate to perform needed functionality (although the process or format may be less than desirable).

Priority 4 (Low):

Degradation or loss of production functionality that affects individuals or small workgroups, minimal impact, preventing completion of a non-critical task but NOT impacting other aspects of the user's workstation.

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SYSTEM/MODULES SUPPORT AND MAINTENANCE SERVICE LEVEL REQUIREMENTS				
Service Type	Service Measure	Performance Target	Minimum Performance %	MEASUREMENT INTERVAL
Availability of Systems/Modules	Availability	As defined by the Fund	98%	Daily
Response Time of the system/module	Response Time From Entering Command to Result	As defined by the Fund	97%	Daily
Service Requests	Delivery Reply	<5 days	<5 days 98%	Weekly
Incident Handling	Time to Respond (All Priority Levels)	<30 minutes>	<30 minutes> 98%	Monthly
	Time to Resolve			
	Priority Level 1	<1 hours	98%	
	Priority Level 2	<3 hours	98%	
	Priority Level 3	<5 hours	98%	
	Priority Level 4	Next Business Day or as Prioritised by Fund	95%	
Availability of Support Staff	Availability / Timesheets	As defined by the Fund	98%	Weekly
	Formula	Performance = Transactions completed within required time/Total Transactions		
	Reporting Interval	Monitor Continuously, Report Monthly		
	Measurement Tool	ITSM		

6.4.2 Reports

The bidder shall provide written reports to the Fund regarding the provider's compliance with the SLRs specified above. In addition, the following reports are required:

Table 11. SAP Reports

DESCRIPTION	FREQUENCY
Resource Utilisation Report (per process area)	Included in the SLA monthly report
Monthly Report (per process area)	7 th day of every month
Governance, Risk and Compliance reports	7 th day of every month
RCA report per opened problem	As per SLA
System Monitoring / Performance Checks	Daily

6.5 Delivery Address

The services must be supplied or provided at the following physical address;

No	Physical Address
1	Delta Heights, 167 Thabo Sehume, Pretoria, Gauteng

It should be noted that the Fund will provide office space and connectivity for the resources allocated to the project to perform the required work during the contract period. The resources may also be expected to travel around to the sites where the Fund has a presence.

7. BID EVALUATION STAGES

- The bid evaluation process consists of several phases that are applicable according to the nature of the bid as defined in the table below.
- The bid will be evaluated according to the 90/10 principle as prescribed in the PPPFA of 2022. Regulation 5 will be applicable.

Stage	Description	Applicable for this bid
Phase 1	Administrative requirements	YES
Phase 2	Technical Mandatory requirements.	YES
Phase 3	Technical functionality evaluation	YES
Phase 4	Evaluation on Price and Specific Goals or Preference	YES

The bidder must qualify for each stage to be eligible to proceed to the next stage of the evaluation.

PHASE 1: ADMINISTRATIVE REQUIREMENTS

If the Bidder failed to comply with any of the administrative requirements, or if Compensation Fund is unable to verify whether the administrative requirements are met, then Compensation Fund reserves the right to –

- Reject the bid and not evaluate it, or

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- (b) Accept the bid for evaluation, on condition that the Bidder must submit within 7 (seven) days after notice any supplementary information to achieve full compliance, provided that the supplementary information is administrative and not substantive in nature.
- (c) All bids will be measured against the administrative pre-qualification requirements. Only bids that comply with the criteria mentioned below will be considered for further evaluation.
- (d) The Service providers must be registered with the Central Supplier Database and provide their unique CSD registration number
- (e) If it is a Joint Venture must submit joint ventures Agreement that signed as acceptable proof of the existence. The joint venture must clearly set out the roles and responsibilities of the Lead Partner and the joint venture. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture.
- (f) Valid COIDA Letter of Good Standing
- (g) Provide Tax Compliance Status - Pin issued by SARS
- (h) Completed and Signed Standard Bidding Documents (SBD forms)
- (i) SBD 6.1 form as a requirement in above paragraph (h) must be accompanied by proof or documentation required in terms of this tender to claim points for specific goals specified in this bid.
- (j) Requirements stipulated in f) to i) must be provided by both companies submitting bids as part of a consortium or joint venture.

NB: Please note that failure to provide any of the above requirements within (7) working days after the notice will lead to automatic disqualification of the service provider's bid proposal

PHASE 2: TECHNICAL MANDATORY REQUIREMENTS

Purpose: *Technical Mandatory requirements are the absolute minimum requirements to fulfil the Business Objective;*

INSTRUCTION AND EVALUATION CRITERIA

- a) The bidder **must comply with ALL the requirements by providing substantiating evidence** in the form of documentation or information, failing which it will be regarded as "NOT COMPLY".
- b) The bidder **must provide a unique reference number** (e.g. binder/folio, chapter, section, page) to locate substantiating evidence in the bid response. During evaluation, Compensation Fund reserves the right to treat substantiation evidence that cannot be located in the bid response as "NOT COMPLY".

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TECHNICAL MANDATORY REQUIREMENTS	Substantiating evidence of compliance (used to evaluate bid)	Evidence reference (to be completed by bidder)
1. BIDDER CERTIFICATION AFFILIATION REQUIREMENTS The prime bidder must be a registered SAP accredited partner in South Africa	Provide a copy of a valid certificate or letter from SAP indicating: (a) the bidder name; (b) the bidder is a SAP accredited partner in South Africa; (c) date the partnership was established; NB: All letters or certificates must be in writing, dated, signed and on a letterhead of the entity that issued it (SAP). The certification should be valid throughout the term of the contract. NB: The Compensation Fund reserves the right to verify information provided.	<provide unique reference to locate substantiating evidence in the bid response >

The bidder must comply with **ALL** the **TECHNICAL MANDATORY REQUIREMENTS** in order for the bid to proceed to the next stage of the evaluation.

7.1 DECLARATION OF COMPLIANCE

	Comply	Not Comply
1. The bidder declares by indicating with an "X" in either the "COMPLY" or "NOT COMPLY" column that – a) The bid complies with each and every TECHNICAL MANDATORY REQUIREMENT as specified in Section 8 above; AND b) Each and every requirement specification is substantiated by evidence as proof of compliance.		

PHASE 3: TECHNICAL FUNCTIONALITY EVALUATION

- Bids will be evaluated strictly according to the bid evaluation criteria set out below.
- A minimum threshold of 70% for the technical elements must be scored; otherwise the bid will be regarded as non-responsive and be disqualified. Bids that do not meet or better the technical threshold score of 70% will not be evaluated further.

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Technical Scorecard			
	Criteria	Scoring Guide	Weight
1.	BIDDER EXPERIENCE AND CAPABILITY REQUIREMENTS Provide at least five (5) letters of contactable references from Business or Government customers to whom the project or service was delivered and indicate the following: (a) Each letter must be dated, signed and on a letterhead and logo of the customer; (b) The customer Company name and physical address; (c) Customer contact person's name, telephone number and email address; (d) Project scope of work NB: The Compensation Fund reserves the right to verify information provided and reference letters not conforming to the above-mentioned 4 requirements will not be considered	1. 5+ valid, written and signed reference letters as per requirement =25 2. 3-4 valid, written and signed reference letters as per requirement = 20 3. 1-2 valid, written and signed reference letters as per requirement = 5 4. No reference letters = 0	25
2	BIDDER MANAGEMENT OF ASSIGNMENTS The bidder to provide a comprehensive and a structured approach detailing the methodology and project plan to manage the assignment taking into consideration the (1) business process area and (2) cost effectiveness and (3) project management and governance	1. The methodology and project plan addresses all three aspects = 30 2. The methodology and project plan addresses only two aspects = 25 3. The methodology and project plan addresses only one aspect = 15 4. Neither the methodology or project plan is provided = 0	30
3	BIDDER SERVICE MANAGEMENT CAPABILITIES Provide draft SLA which clearly indicates all the service elements (business process areas) and their performance targets / service levels	5. Clearly drafted SLA which meets requirements = 25 points 6. Fairly drafted SLA which meets the requirements = 15 points	25

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	including penalties in case of default per service element	7. Poorly drafted SLA and does not adequately meet requirements = 12 point 8. No Draft SLA provided = 0 point	
4	SKILLS TRANSFER PLAN The bidder must provide a detailed skills and knowledge transfer methodology and skills transfer plan	9. Skills transfer methodology, skills transfer plan and skills assessment provided and is relevant to the business process area=20 10. Either the Skills transfer methodology or skills transfer plan provided but is not adequate for the business process areas =10 11. No information on skills transfer methodology or skills transfer plan provided or information provided is not relevant=0	20
Total technical score			100%
Minimum threshold for technical proposal			70%

- c) All bidders who score less than (70% out of 100%) will not be considered for further evaluation on Price and Specific goals.

PHASE 4: PREFERENCE POINT SYSTEM (PRICE AND SPECIFIC GOALS)

The Service providers must complete a pricing schedule as indicated below:

PRICING PROPOSAL

Transaction type	Estimated Expenditure (year 1)	Estimated Expenditure (year 2)	Estimated Expenditure (year 3)	Estimated Expenditure (year 4)	Estimated Expenditure (year 5)
1. Provisioning of CompEasy support and maintenance	R	R	R	R	R
2. Transition In and out	R	n/a	n/a	n/a	R
3. 10 000 bucket of hours for new requirements / major enhancements per annum	R	R	R	R	R
TOTAL BID PRICE PER ANNUM	R	R	R	R	R
TOTAL BID PRICE INCLUDING *ALL APPLICABLE TAXES PER ANNUM	R	R	R	R	R
TOTAL BID PRICE INCLUDING *ALL APPLICABLE TAXES FOR A PERIOD OF FIVE (5) YEARS	R				

Bidders must provide a bid price over 5 years. This price must be inclusive of VAT and THE PRICE MUST BE INDICATED ON THE SBD 3.3 attached herewith. Failure of which will result in immediate disqualification.

- a) Bid proposals will be evaluated in accordance with the 90/10-preference point system, as contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Preferential Procurement Regulations, 2022.
- b) The points in respect of price will be calculated on the ceiling price of the bid.

In terms of regulation 5 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 90/10 Preference Point system in terms of which points are awarded to bidders on the basis of:

- A maximum of 10 points may be awarded to a bidder for the specific goals specified in this bid.
- The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places
- The bid must be awarded to the bidder scoring the highest points.

i. **Stage 1 – Price Evaluation (90 Points)**

The following formula will be used to calculate the points for price:

Where

Criteria	Points
Price Evaluation $P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	90

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

$P_{\min}$ = Comparative price of lowest acceptable bid

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ii. **Stage 2 – Specific Goals or Preference Evaluation (10 Points)**

(a) Specific Goals or Preference Points Allocation

Specific goals	Points out of 10 (90/10)	Required Proof	Ownership %	Points Claimed	Proof attached (Y/N)
Promotion of Women owned enterprises	4	(a) A certified copy of the founding documentation of the company with which the ownership is listed (b) Certified copy of identity document such as SA ID book. (c) Latest Central Supplier Database (CSD) report with women as owners/shareholders/directors of the company.			
Promotion of enterprises owned by people with disability	1	(a) A certified copy of the founding documentation of the company with which the ownership is listed (b) A signed letter from a duly authorized			

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		medical practitioner (c) Latest Central Supplier Database (CSD) report with people with disability as owners/shareholders/directors of the company.			
Promotion of enterprises owned by youth	3	(a) Certified copy of the founding documentation of the company with which the ownership is listed (b) Certified copy of identity document such as SA ID book c) Latest Central Supplier Database (CSD) report with youth as owners/shareholders/directors of the company			

PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

Promotion of local enterprises	2	Within Gauteng Province = 2 points Outside Gauteng Province = 0 points	(a) certified copy of the founding documentation of the company with which the ownership is listed (b) Proof of residence under the name of the tenderer (c) Latest Central Supplier Database (CSD) report with supplier address			
Maximum points	10					

- Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- The Fund 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 Fund.

8. RULES OF BIDDING / SPECIAL CONDITIONS CONTRACT

- The bid validity period is 120 calendar days starting from the closing date of the bid advertisement and any bidder not responding to extension of validity will be disqualified.
- The Fund will enter into a single contract with a single company for the delivery of the work set out in these terms of reference. It will be expected that the contracted company have necessary expertise or secure such expertise by means of subcontracting, or under a joint venture arrangement.

PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

- c) Six (6) months before the end of the contract, the bidder is expected to prepare the environment for transitioning out services, thus no new development / enhancements should take place during this period.
- d) The bucket hours will be billed on a consumption basis.
- e) Major requirements will be submitted in a form of a change request; the bidder will be required to provide an estimated effort for the implementation. The approval will be granted by the Fund for the service provider to proceed with the implementation of the change request. In case there are no new requirements for the remainder of the 10000 hours for that particular year, the amount will be carried over to the next year. In cases where the ten thousand (10 000) hours allocated for the year are depleted, the next year's hours can be utilized for such additional work.
- f) Compliance pin issued by SARS must be submitted by all South African companies submitting bids as part of a consortium or joint venture.
- g) Foreign company providing proposals must become familiar with local conditions and laws, and take them into account in preparing their proposals.
- h) Bids must be submitted in South African Rands, on a fixed price basis.
- i) The cost of preparing bids and of negotiating the contract will not be reimbursed.
- j) The Fund is not bound to accept any of the bids submitted.
- k) The Fund reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference.
- l) The Fund reserves the right to call interviews with short-listed bidders before final selection.
- m) The Fund reserves the right to negotiate price with the preferred bidder.
- n) Company may ask for clarification on these terms of reference up to close of business 7 days before the deadline for the submission of bids. Any request for clarification must be submitted in writing by email and will be replied to in writing by email. **scmenquiries@labour.gov.za**
- o) The Fund reserves the right to return late bid submissions unopened.
- p) The Fund reserves the right not to evaluate bids that are not submitted in the format specified in these terms of reference. Failure to submit the bids in the specified format will invalidate your bid.
- q) A company may not contact the Fund or any member of the bid committees, on any matter pertaining to their bid from the time when bids are submitted to the time the contract is awarded. Any effort by a bidder to influence bid evaluation, bid

PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPENSATION FUND FOR A PERIOD OF FIVE (5) YEARS

comparisons or bid award decisions in any matter, may result in rejection of the bid concerned.

- r) The deadline for submission of bids is 11h00 on
- s) The required service must commence one week after the official order has been placed and contract signed.
- t) No incomplete tenders, late tenders and tenders received telegraphically or per facsimile shall be accepted.
- u) The personnel of the civil company shall adhere to security regulations of the Fund. This entails issues like locking all valuables and computer equipment, remove of any computer equipment from the Department's premises.
- v) A two envelope system must be used, with one envelope containing only the price proposal and the other envelope containing the technical proposal, and all other tender documents.
- w) Bids must be submitted **by hand** to:

**Compensation Fund
167 Thabo Sehume street,
Delta Heights Building,
Pretoria CBD,
0002**

- x) **Bids must be clearly marked:**
 - a. Bid Number
 - b. Provisioning of Compeasy (Claims Management System) development, maintenance and support at the Compensation Fund
 - c. Compensation Fund Chief Directorate Supply Chain Management
 - d. Attention: Acquisition Management

9. GENERAL CONDITIONS OF CONTRACT

The general conditions of contract as enclosed in the standard bidding documents apply.

10. BRIEFING SESSION

A non-compulsory briefing session will be held on 14 August 2023

**Compensation Fund
167 Thabo Sehume,
Delta Heights Building,**

Handwritten signatures and initials, including 'NM' and 'V.M'.

SBD 3.3

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO: TCF 03:2023/24
CLOSING TIME 11:00	CLOSING DATE: 25 August 2023

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

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

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION DAILY RATE	HOURLY RATE	DAILY RATE
.....	R.....	
.....	R.....	
.....	R.....	
.....	R.....	
.....	R.....	

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	---days
.....	R.....	---days
.....	R.....	---days
.....	R.....	--- days

5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION INCURRED	OF RATE	EXPENSE	TO QUANTITY	BE AMOUNT
.....			R.....	
.....			R.....	
.....			R.....	

APPOINTMENT OF A SERVICE PROVIDER FOR PROVISIONING OF COMPEASY (CLAIMS MANAGEMENT SYSTEM) DEVELOPMENT, MAINTENANCE AND SUPPORT AT THE COMPESATION FUND FOR A PERIOD OF FIVE (5) YEARS.

.....

R.....

TOTAL: R.....

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

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION INCURRED	RATE	OF QUANTITY	EXPENSE	TO AMOUNT	BE
.....				R.....	
.....				R.....	
.....				R.....	
.....				R.....	

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid.....

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

.....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

SCM.enquiries@labour.gov.za

SBD 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State Institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

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

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

- 2.3.1 If so, furnish particulars:

3 DECLARATION

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

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

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

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

SBD 6.1

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 90/10 system for requirements with a Rand value of R50 000 000 and above (all applicable taxes included); and

1.2

- a) The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the 90/10 preference point system shall be applicable.

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

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

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

1.7

SBD 6.1

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

3.1 THE 90/10 PREFERENCE POINT SYSTEMS

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

90/10

$$Ps = 90 \left[1 - \frac{Pt - P_{\min}}{P_{\min}} \right]$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10) system)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	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 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?
(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE
(Tick applicable box)
- | | | | |
|-----|--|----|--|
| YES | | NO | |
|-----|--|----|--|
- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

GENERAL CONDITIONS
NOTES

SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

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 X 85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights.

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

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) A cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or organization acting on behalf of the Department.

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 8 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 those 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 10 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 fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 5.1 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 cancelling 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 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.
- 23.5 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 antidumping 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
 - (a) The purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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