

# MPUMALANGA PROVINCIAL GOVERNMENT



## DEPARTMENT OF EDUCATION

**BID NUMBER: EDU/170/25/MP**

**APPOINTMENT OF A PROJECT MANAGEMENT  
UNIT (PMU) TO MANAGE THE PROCUREMENT  
AND DISTRIBUTION OF LEARNING AND  
TEACHING SUPPORT MATERIAL (LTSM),  
INCLUDING E-LEARNING MATERIALS FOR A  
PERIOD OF FIVE(5) YEARS WITH AN OPTION  
TO RENEW ROR TWO (2) YEARS**

ISSUED BY:  
Department of Education  
Private Bag X11341  
Mbombela  
1200

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

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF EDUCATION</b>					
BID NUMBER:	<b>EDU/170/25/MP</b>	CLOSING DATE:	<b>25 AUGUST 2025</b>	CLOSING TIME:	<b>12H00</b>
DESCRIPTION	<b>APPOINTMENT OF A PROJECT MANAGEMENT UNIT (PMU) TO MANAGE THE PROCUREMENT AND DISTRIBUTION OF LEARNING AND TEACHING SUPPORT MATERIAL (LTSM), INCLUDING E-LEARNING MATERIALS FOR A PERIOD OF FIVE(5) YEARS WITH AN OPTION TO RENEW FOR TWO (2) YEARS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>MBOMBELA</b> , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, <b>PIET RETIEF</b> , No. 11 Measroch Street, Piet Retief Office, <b>KWAMHLANGA</b> , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre <b>EVANDER</b> , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, <b>BUSHBUCKRIDGE</b> , The Provincial Treasury, R40 Road, Bakoena Business Complex, Bushbuckridge, <b>MIDDELBURG</b> , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, <b>MALELANE</b> , The Provincial Treasury no. 17 Lorenzo Street, Malelane, <b>ELUKWATINI</b> , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini 1192. <b>SIYABUSWA</b> Old Parliament Building, Building No.1, Job Skhosana Street, Siyabuswa 0472					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>Ms.GJ Lekhuleni</b>		CONTACT PERSON	<b>Mr.QW Mbuyane</b>	
TELEPHONE NUMBER	<b>013 766 5163</b>		TELEPHONE NUMBER	<b>013 766 5287</b>	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<b>G.Lekhuleni@mpuedu.gov.za</b>		E-MAIL ADDRESS	<b>Q.Mbuyane@mpuedu.gov.za</b>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>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.</b>					

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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 <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
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:

.....

## **MPUMALANGA DEPARTMENT OF EDUCATION**



**APPOINTMENT OF A PROJECT MANAGEMENT UNIT (PMU) TO MANAGE THE PROCUREMENT AND DISTRIBUTION OF LEARNING AND TEACHING SUPPORT MATERIAL (LTSM), INCLUDING E-LEARNING MATERIALS FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO RENEW FOR TWO (2) YEARS.**

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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## ABBREVIATIONS

BEC	Bid Evaluation Committee
BSC	Bid Specification Committee
CIPRO/CIPC	Companies and Intellectual Property Registration Office/Companies Intellectual Property Commission
CPIx	Consumer Price Index
CSD	Central Supplier Database
CSI	Corporate Social Investment
DTI	Department of Trade and Industry
GCC	General Conditions of Contract
HPCSA	Health Professions Council of South Africa
MDoE	Mpumalanga Department of Education
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
RDP	Reconstruction and Development Programme
SABS	South African Bureau of Standards
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
SDA	Service Delivery Areas
SLA	Service Level Agreement
VAT	Value Added Tax
NCS	National Curriculum Statement
PMT	Provincial Management Team.
POS	Public Ordinary Schools
SANAS	The South African National Accreditation System (SANAS).
SASA	South African Schools Act, 1996 (Act No. 84 of 1996) as amended

## DEFINITIONS:

1.1.	Bid/tender	the concepts are used interchangeably and they mean a written offer, in the form determined by instruction, in response to an invitation for the procurement of goods or services or other form of procurement through a price quotation, a competitive bidding process, a limited bidding process or any other method envisaged in the Act.
1.2.	Bidder/tenderer	means any person/enterprise which has submitted a bid or Request for Quotation.
1.3.	Black people	as defined in the Broad-Based Black Economic Empowerment Act, (Act No 53 of 2003), is a generic term which means Africans, Colored and people of Indian origins.
1.4.	Conditions of Tender	means a document of the procedures, the manner in which those engaged in the procurement process are to behave, the obligations of the tenderer and the undertakings of the Department. The Conditions of Tender are distinct from both the General Conditions of Contract and the Special Conditions of Contract.
1.5.	Contract	means any written agreement entered into between the purchaser (i.e. Departments) 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 as defined in the General Conditions of Contract.
1.6.	Contract price	means the price payable to the supplier under the contract for the full and proper performance of contractual obligations as defined in the General Conditions of Contract.
1.7.	Consortium or Joint Venture	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.
1.8.	Disability	in respect of a person, means, a permanent impairment of a physical, intellectual, or sensory function which results in

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

		restricted, or lack of ability to perform an activity in the manner or within the range considered normal for a human being.
1.9.	Department	means Mpumalanga Department of Education
1.10.	Functionality	means the measurement according to predetermined norms of a service or commodity designed to be practical and useful, working or operating, taking into account quality, reliability, viability, skills, experience and durability of a service or commodity.
1.11.	Historically Disadvantaged Individual	means a South African citizen who due to the apartheid policy had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, (Act No. 110 of 1983) or the Constitution of the Republic of South Africa, (Act No 200 of 1993) ("the Interim Constitution); and/or who is a female; and/or who has a disability: provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a Historically Disadvantaged Individual.
1.12.	Highest acceptable tender	means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders.
1.13.	Individual	means a natural person.
1.14.	Lowest acceptable tender	means a tender that complies with all specifications and conditions of tender and that has the lowest price compared to other tenders.
1.15.	Price	means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
1.16.	Person	includes reference to a juristic person.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

1.17.	90/10-point scoring system	refers to the point system prescribed in regulations 3 and 5 of the regulations issued in terms of section 5 of the PPPFA.
1.18.	Youth	means persons between the ages of 14 and 35 as per the National Youth Development Agency Act (Act No.54 of 2008).
1.19.	Service Level Agreement (SLA)	Service Level Agreement: It refers to a document that outlines a commitment between a service provider and a client, including details of the service, the standards the provider must adhere to, and the metrics to measure the performance
1.20.	Specific goals	means specific goals as contemplated in section 2(1)(d) of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
1.21.	The Act	means the Preferential Procurement Policy Framework Act (Act No. 5 of 2000).
1.22.	The Constitution	means the Constitution of the Republic of South Africa (Act No.108 of 1996).
1.23.	AET Centres	Means Centres for Adult Basic Education and Training.
1.24.	ELSEN schools	Means Schools for Learners with Special Education Needs.
1.25.	LTSM	means to the supply and direct delivery to schools of learning support material: Stationery, Text books, Class readers, Prescribed works, Dictionaries, Modules, Work Books, Work sheets, Maps, Posters, Wall charts, Reference books, Pre-recorded videos, Audio cassettes, Compact discs, CD-ROM's, DVD's, Computer Software, equipment and consumables for practical subjects in Science and Technology, equipment for AET and ECD centres and outdoor play equipment.



Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

1.26.	eLTSM	means Electronic Learning, Teaching and Support Materials and related Support Services.
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Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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## **SECTION A- GENERAL SPECIFICATIONS/INFORMATION**

### **1. BACKGROUND**

The MDoE intends to appoint a service provider/s, who shall manage and co-ordinate the end-to-end LTSM and eLTSM processes to plan, source, order, procure, warehouse, supply and deliver Learning and Teaching Support Materials (LTSM) and Electronic Learning, Teaching and Support Materials and related Support Services (e-LTSM) to all Section 21.c schools, non-section 21.c schools, ELSEN schools, AET, ECD centres, etc.

It is from this background that the MDoE Request for Proposal (RFP) for the provisioning of end-to-end project management and support services of Learning and Teaching Support Material (LTSM), and Electronic Learning, Teaching and Support Materials and related Support Services (e-LTSM) for a period of five (5) years fixed term contract with an option to extend for an additional two (2) years. The specific details on the requirements are entailed in the subsections of this document.

### **2. PURPOSE OF THE BID (TENDER)**

To identify Service Provider/s that can render end-to-end Project Management Services for both LTSM and eLTSM to support the MDoE and Institutions (Head Office, District offices, Circuit offices, schools, AET centres and ECD centres) in managing the planning, sourcing, ordering, procurement, warehousing and distribution/delivery of Learning and Teaching Support Material (LTSM) and Electronic Learning, Teaching and Support Materials and related Support Services (eLTSM), for a period of five (5) years with an option to extend for another 2 (two) years.

To select Service Provider/s who have experience and the ability to render end-to-end project management services for both LTSM and eLTSM to support the MDoE and Institutions (Head Office, District offices, Circuit offices, schools, AET centres and ECD centres) in managing the planning, sourcing, ordering, procurement, warehousing and distribution/delivery of Learning and Teaching Support Material (LTSM) and Electronic Learning, Teaching and Support Materials and Support Services (eLTSM).

**This shall entail**

### **3. LTSM**

Provide End to end Project Management and Support Services in the Planning, Requestioning, Procurement, Warehousing and Distribution of Learning and Teaching Support Material (LTSM), supplementary LTSM to Section 21.c schools, non-section 21.c

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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schools, ELSEN schools, AET, ECD centres, etc in the four (4) MDoE Districts, to ensure quality LTSM as well as other curriculum resources are made accessible to all learners in ordinary public schools,

Provide Project Management services to ensure that LTSM is timeously and correctly procured and delivered to schools in an effective and efficient manner,

In conjunction with the MDoE, facilitate the review the annually approved DBE Textbook Catalogues of CAPS aligned textbooks and learner resources,

The appointed service provider(s) is expected to plan, source, order, procure, warehouse, package, supply and deliver/distribute LTSM, supplementary LTSM, eLTSM and any other resources/services required by school to MDoE institutions.

Provide comprehensive project reports and regular updates on project progress related to requisitioned, budget spend, warehoused and distributed LTSM.

#### **4. eLTSM**

Provide End to end Project Management and Support Services in the Planning, Profiling, Requestioning, Procurement of School Information Technology Services Management, e-Learning Teaching Support Material and Support Services (e-LTSM (including ICT)), and related Resources and Services to all the MDoE Institutions/Schools that are participating in the MDoE eLearning Programme implementation.

Procure and Deliver ICT devices i.e. Teacher Laptops, Learner Tablet Devices, Classroom Solutions, related resources, support services and accessories (including consumables) as informed by MDoE/School needs and specifications.

Procure and Aggregate digital content, pre-load ICT devices with software, applications, digital content, package ICT devices, provide warehousing activities that are associated with ICT device provisioning, and deliver the ICT devices/resources to identified MDoE institutions/schools.

Develop and update (with the MDoE) the e-Catalogue of Digital Resources (Hardware, Software Content and Supplementary Resources) as guided by the approved DBE Textbook Catalogue and DBE standards for ICT solutions for Schools.

Provide Technical/Maintenance Support Services that will include the retrieval, repair, refresh, deployment, tracking and replacement of ICT devices when required on e-LTSM.

Conduct Advocacy Training (including onboarding, mediation, ICT awareness and

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change management in MDoE institutions/schools) and provide advocacy materials (such as posters, pamphlets, guideline documents, etc.) on the utilisation of ICT resources where applicable.

Ability to uniquely asset tag ICT devices, track and packaging of new and retrieved ICT devices per school, per grade, per class, per user (i.e. name & surname, and asset tag number).

Provide dedicated storage for new and retrieved ICT devices & related resources.

Plan, source, order, procure and manage the services required for the MDoE ICT e-waste disposal process emanating from ICT devices that are earmarked for disposal by the MDoE and/or schools.

The service provider shall be responsible for the end-to-end management and support of all the other ITSM devices, Digital Content, host systems (where required) that were procured before the commencement of this agreement: The service provider shall be responsible for the end-to-end management including warehousing, insurance, aggregation, content preloading, and distribution of all learner devices and all other ITSM devices, that were procured before the commencement of the agreement.

## **I. Integrated Digital Systems Capability**

The appointed Service Provider must possess, operate, and maintain the following digital systems to ensure financial and operational accountability and reporting capabilities across the LTSM supply chain cycle:

## **II. Enterprise Resource Planning (ERP) System**

The Service Provider shall provide an ERP System capable of:

- a. Managing procurement, financial transactions, vendor engagement, and inventory tracking.
- b. Automating workflows for purchase orders, invoicing, approvals, and financial reconciliation.
- c. Ensuring auditability, compliance with MDoE financial protocols.
- d. Consolidating operational and financial data to enable project reporting.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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### **III. Warehouse Management Solution (WMS)**

The Service Provider shall provide a fully functional WMS capable of:

- a. Real-time tracking of inventory across all warehouses and distribution points.
- b. Managing receiving, put-away, picking, packing, and dispatch operations.
- c. Providing automated alerts for low stock, reordering, and shelf-life expiries.
- d. Supporting barcode/RFID scanning and inventory reconciliation.

### **IV. Call Desk / Helpdesk System**

The Service Provider shall implement a 2nd line support Call Desk system that:

- a. Enables centralised issue logging, tracking, resolution, and escalation management.
- b. Supports multi-channel access (email, web portal, telephone) for schools and stakeholders.
- c. Tracks SLA compliance for ticket handling and incident resolution.
- d. Provides real-time reporting and analysis of service issues and performance.

### **V. Production Management System**

The Service Provider must operate a system to manage eLTSM production, which includes:

- a. Scheduling and monitoring production batches and timelines.
- b. Tracking raw materials, suppliers, and production quality controls.
- c. Managing on-demand and bulk orders with live progress tracking.
- d. Generating alerts for delays, defects, or non-conformances.

### **VI. Integration and End-to-End Reporting Capabilities**

The Service Provider must ensure that:

- a. System integration ability with the relevant MDoE systems for data consistency, process alignment, real-time updates and reporting enablement.
- b. Unified dashboards and analytics to support MDoE's operational and strategic decisions.
- c. Elimination of data duplication through a single-source-of-truth approach.
- d. Support for scalability, enhancements, and continuous service improvements as per SLA.

## 5. MDoE Objectives

The MDoE approach is underpinned by the following objectives:

- a. To ensure maximum benefits and utilisation of the LTSM and eLTSM budgets;
- b. To introduce a new network enabled model for administration and management of all LTSM and eLTSM which is accessible to all MDoE officials;
- c. To achieve the National Curriculum Statements and redress policy targets through this model;
- d. To outsource functions of the provisioning of project management services and procurement agency responsibilities, with support and distribution services related to learning and teaching support material (LTSM) and electronic learning, teaching, and support materials (e-LTSM) LTSM in order to enable the MDoE to focus on qualitative aspects of LTSM and eLTSM, as well as impact assessment;
- e. To establish the LTSM and eLTSM requirements of all public ordinary schools (non-section 21.1.c schools, section 21.1. c schools, ELSEN schools, AET centres, ECD centres, etc.);
- f. To facilitate and administer procurement and distribution processes of LTSM and eLTSM for section 21.1.c schools, non-section 21.1.c schools, ELSEN schools, AET and ECD centres, etc, focusing on Grade R to 12, including designated schools which are part of National/Provincial Priorities, as well as Educator materials to these schools across all grades;
- g. To manage the process of monitoring and reporting on the procurement patterns and trends at non-section 21(1) c; section 21 (1) c, ELSEN schools, AET centres, ECD centres which includes collections/retrieval of textbooks, tablets devices and verification, analysis and interpretation of data on the entire LTSM and eLTSM procurement and distribution processes. The service provider shall monitor and report to the MDoE thereby assisting/enabling the latter to account for the funds specifically allocated per LTSM and eLTSM type.

## 6. SCOPE OF WORK

The section, '**Scope of Work**' will further provide details on the key deliverables for LTSM and e-LTSM as follows:

## **7. PLANNING OF LTSM & e-LTSM**

### **a. The LTSM Planning Cycle**

The MDoE planning cycle for textbooks commences in April with schools requisitioning the textbooks needs for submission to District Offices in May/June, who then submit these requirements to MDoE Head Office in June/July. At this point MDoE will place orders with the appointed service provider for delivery between August and October for utilization in the following calendar year.

Planning includes resource provisioning for school requisitions based on approved catalogues, budgets, market value assessment of specific LTSM, project planning for each stage, stakeholder engagement within the MDoE and other service providers, risk assessments, and mitigation strategies that affect project timelines and reporting to the MDoE. District-level-approved requisitions, which are captured and provided to the service provider, must be validated by the service provider in accordance with each school's allocated budget. Any variances must be reported to the MDoE for correction.

The service provider will be required to empower and support MDOE Project Management Teams on the planning, creation and management of projects, by assisting the MDoE in implementing project management principles, practices, methodologies, processes, tools and techniques. Therefore, the service provider is required to set up a project management office, with dedicated project resources, defining clear roles and responsibilities, between MDoE and the service provider work streams.

### **b. The LTSM Delivery Timelines**

LTSM delivery timelines adhere to the annual sector plan in alignment with the MDoE planning cycle and provisioning of LTSM whereby all approved textbooks and stationery requisitions are delivered by the end of October for use in the following academic year. Supplementary LTSM is to be delivered before the end of November for use in the following academic year.

### **c. The e-LTSM Planning Cycle**

Planning includes resource provisioning for school requisitions based on approved e-catalogues, budgets, market value assessment of specific eLTSM, project planning for each stage, stakeholder engagement within the MDoE and other service providers, risk assessments, and mitigation strategies that affect project timelines and reporting to the

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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MDoE. The eLTSM planning cycle commences in April with schools' profiles, individual user curriculum needs, budgets, which include the classrooms, teachers, and learners. These are then verified and approved between July and September. This will inform requisitioning which will be completed once the schools have submitted the end of the year progression schedules. This data will be used to prepare ICT devices accordingly for the next academic year. It is important to highlight that learner devices may be retrieved where necessary towards the end of the academic year (November - December) for repairs, content updates and refresh in preparation for the next/new academic year. Quality assurance is conducted on annual basis before ICT devices are distributed to schools after the 10-day headcount of the new academic year or at any given appointed time as guided by the MDoE in the case of new deployments, and/or delivery may be made beyond this period if required to accommodate the specific needs of the school.

The service provider will be required to empower and support MDoE Project Management Teams on the planning, creation and management of projects, by assisting the MDoE in implementing project management principles, practices, methodologies, processes, tools and techniques. Therefore, the service provider is required to set up a project management office, with dedicated project resources, defining clear roles and responsibilities, between MDoE and the service provider work streams.

#### **d. The e-LTSM Delivery Timelines**

The required services will be provided within the Education Sector Plan for provisioning of eLTSM to support teaching and learning. Thus, the required services to be rendered should align to the MDoE planning cycle for LTSM/eLTSM resource provisioning.

#### **e. PROCUREMENT OF LTSM & eLTSM**

The MDoE is a provincial government department under the Mpumalanga Provincial Government responsible for overseeing and regulating the basic education system in the Mpumalanga Province of South Africa in accordance with the South African Schools Act of 1996. The obligations of the appointed service provider under this project are to give effect to the Department's mandate and therefore performs a clear public service. The Constitutional Court, in *All pay Consolidated Investment Holdings (Pty) Ltd and others v Chief Executive Officer of the South African Social Security Agency and others* (No 2) 2014 (4) SA 179 (CC), confirmed that a private body performing a public function should be regarded as a public body. Given the public services, the appointed bidder is performing on behalf of the MDoE it must be accountable to the public. The potential bidder must be able to demonstrate compliance with public procurement framework in previous projects.



**f. Procurement of LTSM**

- Procure and deliver textbooks based on the approved National Catalogue for Pre-Grades R - 12, languages and content subjects.
- Procure and deliver supplementary Learning and Teaching Support Material outside the approved core textbooks (study guides, simulations, videos, exam solutions, assistive devices, career guidance material, library books, Maths Science and Technology related consumables/equipment, HIV/AIDS & ECD related material).
- Procure and Install Outdoor equipment for ECD in schools and ECD Centres.
- Procure and deliver ECD Indoor Resources (including classroom furniture), ICT Interactive Materials.
- Procure and deliver PAT consumable resources for all PAT subjects based on annual supplied specifications.
- Procurement of Coding and Robotics kits for identified schools.

**g. Procurement of ICT Devices & Services**

Procure and deliver ICT devices as per approved specifications provided by the MDoE (the MDoE will make available a specialist for the testing of ICT devices against the specification provided prior to the finalisation of delivery of ICT devices to the warehouse/schools) for:

- Teacher solution laptops
- Learner solution tablet devices
- Classroom Solutions i.e. Interactive Boards, Mobile Classroom Solutions, and Connectivity Solutions/Devices, Virtual Reality Tools, Augmented Reality Tools, Mixed Reality Tools, and Simulators supported by Artificial Intelligent Software Solution, and
- Procure fit for purpose ICT consumables and accessories as may be needed, which could include Laptop/Tablet chargers, tablet device covers, repair/refurbishment services and components, power cables, HDMI Cables, SD Cards, SIM Cards and other related services etc.
- Procure suitable spares for the maintenance and support of the ICT devices as directed by MDoE.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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- Any other forms of ICT resources and services as directed by MDoE.
- Procurement of Operating System Software and a Mobile Device Management Solution (MDM) that support device functionality and the digital content that support teaching and learning. This could be provided through a licensing model.
- The appointed Service provider will also manage the installations of ICT devices to schools in collaboration with MDoE and relevant suppliers, and keep relevant documentation in this regard i.e., PODs, Installation Certificates, Asset Registers, School sign-offs, etc.
- Collaborate with MDoE to source, provide and install high quality tracking solution (hardware and/or software), that will also ensure tracking possibilities even in the absence of interrupted electricity supply. The tracking solution should be provided as per the MDoE approved specifications, with periodic reporting and/or as and when required by MDoE on ICT device recovery and replacement.

#### **h. Procurement of ICT School Support Services**

The successful bidder, at the point of contracting must procure on behalf of the MDoE a Mobile Device Management (MDM) Solution that meets the following criteria:

- Scalability - The MDM solution must manage a minimum of 20 000 devices.
- Device/OS compatibility - The MDM must support multiple device types and/or Operating systems including Android, IOS, Windows and Chrome.
- Security Features - The MDM must include features such as encryption, secure authentication, remote wipe, geo-fencing and malware detection.
- Monitoring and Reporting - The MDM must offer comprehensive device monitoring and detailed reporting on compliance, app usage, and device health.
- Remote device management - Automatic installation or upgrade of enrolled device profiles and policy enforcement issuing, device authentication, remote maintenance, etc.
- The appointed service must be able to provide technical support in order to resolve any technical issues. They must also provide training for the MDM deployment, device management and troubleshooting to MDoE IT Technicians.

#### **i. Procurement of Digital Content & Services**

Source and provide various forms of Digital Content for all participating grades (Grade R - 12) as follows:

- e-Books: e-PDF, e-Pub, and enhanced e-Book.
- Develop and update annually the e-Books and Multimedia Digital Content catalogue to accommodate newly approved Digital Content material.
- e-Supplementary/Multimedia Digital Content, Educational Apps as guided by MDoE curriculum needs as per the MDoE approved specifications.
- Specialised Multimedia Digital Content to support the Schools of Specialisations and other ICT Innovations/Advancements like Augmented Reality, Virtual Reality (VR) and Mixed Reality Tools (MR) supported by Artificial Intelligent Software.
- Digital Content to support the implementation of Virtual Classrooms in the MDoE.
- Question/Item Banks to support online assessment activities.
- Collaborate with the MDoE to upload newly developed or procured digital content on Platforms, that can be accessed by MDoE institutions. This activity may include close working relation with the digital content providers that would have been identified.
- Collaborate with the MDoE on the development and design of ICT Utilisation Advocacy Material (Text and Digital format) and avail it to schools, onboard the end-user (teachers, learners and MDoE officials) on effective ways to utilise and manage the provided ICT Tools. This activity will be conducted annually with the identified schools, as part of ICT awareness towards supporting schools to be matured.
- Catering for the replacement of damaged / outdated Devices, Software Licenses, and accidental deletion of Software / Digital Content etc.

#### **j. Aggregate and Pre-load Digital Content**

- Aggregate new and retrieved ICT Devices, by pre-loading and activating the system software, e-Books, multi-media digital content, MDoE freely available content and any other applications that support the ICT devices. (deployment & activation of Operation Systems, Third-Party Applications, core application and Mobile Device Management Software, etc).

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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- Aggregate e-Books, Multimedia Digital Content and MDoE freely available content as per user profile (teacher, learner, classroom, and servers where applicable).
- Aggregate the Digital Content with an DRM enabled e-reader, to be provided by the appointed service provider, which has the capability to enable the user to highlight, bold, underline, make notes, save and retrieve notes, support e-Pubs with embedded short videos, assessments, drag and drop, etc.
- Pre-loading of the aggregated Digital Content as per user profile on the retrieved and new ICT devices (teacher, learner, classroom, Virtual Reality Tools, Augmented Reality and Mixed Reality Tools). The successful bidder should also have the capacity to download the digital content (e-Books and Multimedia) onsite at the school when required.
- Encrypt the pre-loaded a-Content/Digital Content to avoid deletion and unauthorized duplication of a-Content/Digital Content.
- Dedicated Infrastructure no less than 3 000 unique locations enabling the re-flashing and upgrade of the required Operating Systems, Software, and critical Applications (School by School).
- Dedicated Infrastructure with no less than 4 000 unique locations enabling the pre-loading of Aggregated e-Content as per User Profiles.
- Collaborate with MDoE to source a Mobile Device Management (MDM) solution for ICT Devices, with capabilities to manage devices, apply security policies, update system software and digital content (e-books and MDoE freely available) remotely. The provided MDM solution should have capabilities to encrypt the digital content to prevent authorised sharing of content, prevent the user from deleting content and enable reporting on the utilisation.
- Ensure to the installation of Tracking & Monitoring Hardware/Software solution/s.
- Dedicated infrastructure to enable device asset tagging, repairs, re-flashing and upgrade of software and digital content in the ICT Devices.
- Production Deployment Management System to be integrated with comprehensive audit compliant reporting.

## **8. PACKAGING OF LTSM & e-LTSM**

### **a. Packaging of LTSM**

- Picking and packaging of textbooks per grade per subject for each school (using schools' distribution list).
- Picking and packaging of supplementary resources per grade and per subject for each school.
- Packaging of office stationery and resource tools for teachers for each school.
- Packaging stationery for learner stationery packs for Grade R-12 as per specification.
- Correct Labelling and Packaging of PAT Consumable Resources per school, per grade, per learner, in the case of the Arts.
- Labelling of all resource material:
- LTSM: per school, per grade, per subject,
- Packaging of supplementary equipment and any other resources required by schools and institutions of learning.

### **b. Packaging of e-LTSM**

- Packaging of new and retrieved ICT devices: per school, per grade, per class, per user (name & surname, asset tag).
- Package and label e-content as per user profile.
- Labelling of all resource material:
- ITSM (ICT device): per school, per grade, per class, per learner or teacher.
- Barcoding/Asset tagging of school assets.
- Generate asset and stock registers (templates should be user friendly, i.e. should separate columns for each unique filed).
- Packaging of advocacy material per item type.
- Packaging of supplementary equipment and any other resources required by schools and institutions/schools.

## **9. WAREHOUSING REQUIREMENT AND ACTIVITIES OF LTSM AND E-LTSM**

### **a. Warehousing Requirement**

- There must be electronic and physical security at the warehouse premises.
- Provide proof of ownership (title deed) or lease agreement (if outsourcing) for the warehouse facility/ies that is at least 10 000m<sup>2</sup> in size. This may not be in more than three (3) separate premises. This is a requirement for de-centralised operations and distribution. The appointed service provider must clearly outline, and detail utilisation split i.e. how much space will be used for ICT (newly procured and retrieved) devices, repairs/refurbishment centre and LTSM; and office space.
- The warehouse and its contents must be insured once the tender is awarded as part of the contracting process/conditions.
- The good in transit insurance must also be provided once the tender is awarded.
- Provide a floor plan with clear demarcations for workstations in line with the ISO 9001:2015 Quality Management System. The valid and authentic certification must be issued by a relevant authority.
- Clear outlined systems to receive, store and dispatch materials.
- Workstations available for evaluation of PAT consumables and ICT devices prior to being dispatched to schools.
- Proof of Occupational Health and Safety Compliance Certificate with a minimum of ISO 45001:2018. This certificate must be valid, authentic and issued by a relevant authority.
- Proof of Environmental Management System Compliance Certificate with a minimum of ISO 45001:2015. This certificate must be valid, authentic and issued by a relevant authority.

### **b. Warehousing Activities of LTSM**

- Provide dedicated storage for LTSM textbooks, supplementary material and resource tools.
- There must be dedicated workstations for picking and packaging of LTSM.

### **c. Warehousing Activities of e-LTSM**

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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- Provide dedicated storage for new ICT devices, Advocacy Materials, and Virtual Reality Tools, Augmented Reality and Mixed Reality Tools and other ICT Resource tools that support Teaching and Learning.
- Provide dedicated storage and space for e-LTSM devices (for: asset tagging, pre/re-loading, refreshing, assessment and repairs) as well as safekeeping in cases where schools require the latter service.
- Provide storage for retrieved ICT devices for refresh and repair of ICT devices (Learner Devices, Teacher Laptops, Classroom Solutions and other related resources).
- There must be dedicated workstations for packaging of ICT devices which could also include the Coding and Robotics Kits.
- There must be dedicated workstations for the picking and packaging of eLTSM.
- There must be dedicated workstations for Quality Assurance of Pre-loaded Digital Content by MDoE Head Office & District Officials.
- Visible demarcation for all eLTSM activities.
- Dedicated space and storage for Device Assessment and Repairs. This activity will entail checking hardware and software condition and functionality end-to-end, including the motherboard and related accessories.

## **10. DISTRIBUTION AND DELIVERY TRACKING OF LTSM & E-LTSM**

### **a. Distribution and delivery tracking of LTSM**

- Distribute all LTSM resources to a specific school(s) and ECD centres, via fleet of trucks and a distribution network empowering local residents and SMME's, considering volume and footprint.
- Track and monitor the delivery of LTSM resources to schools.
- Provide logistics related to loading and transportation of the procured resources.
- Provide transportation for LTSM resources.
- Electronic and physical security for the goods in transit from warehouse to MDoE schools and ECD centres.
- Inform the respective directorates about the delivery especially PAT consumables for the final PAT examination.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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**b. Distribution and tracking of e-LTSM**

- Provide transportation for ICT Devices to specific schools via fleet of trucks and a distribution network empowering local residents and SMME's, considering volume and GIT cover.
- Distribute all preloaded eLTSM resources (new and retrieved) to a specified MDoE Institution and where required install the ICT devices.
- Track and monitor the delivery of eLTSM and ICTresources to schools
- Provide logistics related to loading and transportation of the procured ICT resources.
- Electronic and physical security for the goods in transit from Warehouse to MDoE Institutions/Schools.
- Inform the respective directorates of the progress about the deliveries.

**11. RETRIEVAL, ASSESSMENT AND REPAIR/REFURBISHMENT OF e-LTSM**

**a. Retrieval of e-LTSM**

- Retrieval of the procured learner devices (every academic year end to prepare them for the next academic year).
- Retrieval of the ICT accessories provided to the learners when required.
- Retrieve the learner devices, refresh, and re-image of eContent to update and load all the learner devices with the most relevant and updated operating system, software, digital content using a Deployment Management Solution.
- Encrypt the pre-loaded digital content to avoid deletion and unauthorised duplication of eContent on retrieved ICT devices.

**b. Device Assessment, Refurbishment and Repair Centre**

The appointed Service Provider will be expected to have on-premises the required management, staff and functional capabilities, access, systems with automated reporting capabilities, know-how and dedicated experienced resources to perform the following successfully:

- Dedicated Infrastructure to conduct Technical Assessments on newly procured ICT



**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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devices as to ensure they meet all the technical requirement specifications (Tablets, Laptops, etc).

- Dedicated Infrastructure to conduct Physical and Technical Assessments of retrieved ICT devices School by School (Tablets, Laptops, etc).
- Dedicated Infrastructure to ensure to Assembly and/or Repairs and/or Refurbishment of ICT devices (School by School).
- Dedicated Infrastructure to ensure to the installation of Security Tracking & Monitoring Hardware and/or Software.

### **c. ICT School Support and Maintenance Services**

The service provider will be expected to source, procure and manage the services and resources required for Onsite and Technical Support Services which includes:

- Provisioning of technical resources, transportation of technical teams to and from schools, assessment and repairs of devices and any subsequent reporting on this service through a ticket logging system.
- Schedules/Unscheduled preventative maintenance, servicing, and repairs of ICT devices provisioned through this contract.
- Collection of ICT utilisation data in schools.
- De-installation, re-installation and/or safekeeping of ICT devices in cases where schools require this service.

## **12. DISPOSAL OF ELECTRONIC WASTE**

The service provider will be expected to source, procure and manage the services required for the MDoE ICT e-waste disposal process emanating from ICT devices that are earmarked for disposal by the MDoE and schools:

- Beyond Economical to Repair.
- Non-functional.
- Having reached end of useful lifespan.

The service provider will further be expected to ensure to:

- Collect from schools, ICT devices that have been identified for disposal. This process will

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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amongst others involve:

- Sorting.
- Dismantling the actual devices.
- Safe removal of all hazardous material like lead, mercury, flammable material, etc
- Storage of all the devices that have been identified for disposal until such ICT devices are disposed of.
- Despatch and processing of recyclable material to specialised facilities that are responsible for recycling such material.

### **13. REPORT TO MDoE ON LTSM, e-LTSM AND SUPPORT SERVICES**

- Preparation of periodic management and operational reports (comprehensive).
- Progress on the planning, ordering, procurement, and deliveries of LTSM and e-LTSM, etc.
- Status of retrieval of the ICT devices.
- Records on proof of deliveries and asset registers.
- The service provider(s) must provide monthly and quarterly expenditure reports per project per budget type per LTSM type.
- Collaborate with the MDoE to develop and or update the ICT Frameworks that are aimed towards the sustainability of the MDoE eLTSM Programme by ensuring standardisation, acceptable pricing model for ICT Resources (Devices, Digital Content, Connectivity, etc) and accommodative to new ICT innovations to enhance classroom practices and adoption.
- Provide periodic ICT utilization reports on the extent of usage of eLTSM provided to the connected schools upon request.

### **14. CONTACT CENTRE AND SUPPORT SERVICE FOR MDoE INSTITUTIONS ON LTSM AND e-LTSM**

- Provide end-to-end service and support on LTSM and eLTSM deliverables to schools, ECD centres through call centre service, online and onsite.
- Ensure a dedicated MDoE contact Centre number for all schools in scope.
- Ensure that queries and challenges that arise are done so through the correct channels

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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and only acted upon based on a directive received by the LTSM Director and/or the MDoE LTSM Project Team upon approval of the relevant LTSM Directorate.

- Follow up with schools to ascertain whether deliveries were completed by consolidating all delivery queries and/or challenges incurred in the accomplishment of the project and present them to the MDoE LTSM Directorate for directive on corrective measures to address shortages, substitute materials needed and/or cancelled materials for the purposes of re-ordering.

## **15. PERSONNEL EXPERIENCE AND QUALIFICATIONS**

The following minimum personnel, and qualifications are required to deliver on this Project Management Service(s). The bidder must submit certified copies of relevant qualifications and/or certificates for all.

## **16. MANAGERIAL CAPACITY**

- Availability of two (2) Project Managers with eight (8) years or more of project management experience.
- The Project Managers should have a qualification or related qualification in Project Management.

## **17. PROJECT TEAM LEADERS:**

- Availability of five (5) key Project/Team Leaders for Specific Workstreams with five (5) years or more of relevant work experience.
- The Project/Team Leaders should have a qualification or related qualification in Project/Business Management, Financial Management, Supply Chain Management, Legal, Computer Science.

## **18. TECHNICAL AND SUPPORT STAFF:**

- Availability of 50 Technical and Support staff.
- The Technical and Support staff must have three (3) years or more of relevant work experience.
- All 50 Technical and Support staff must have knowledge and qualification or related qualification in at least one of the following areas:
- Supply Chain Management (SCM), Financial Management, Information Technology, IT

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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Support, IT Management, or Business Administration.

## **SECTION B: BIDDING PROCESS IN TERMS OF PPPFA**

### **19. BID EVALUATION METHODS**

#### **20. General**

The contract shall be awarded in terms of the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000). The Department shall evaluate the bid in terms of compulsory returnable documents, functionality, as well as the 90/10 preference point system.

**20.1.1** The Bid Evaluation Committee (BEC) members shall individually evaluate the responses received against the following:

**20.1.2** Evaluation in terms of compulsory returnable documents

**20.1.3** Evaluation in terms of functionality criteria and in terms of specific goals and equity ownership

#### **21. Stage 1 – Evaluation in terms of Returnable documents**

##### **a. Compulsory Returnable Documents**

The required information should be submitted in the templates below for both the compulsory and supporting returnable documents.

Clearly indicate with a **YES** or **NO** on whether the following compulsory returnable documents are attached or not. Where a **YES** or **NO** answer is not applicable, indicate as such with a **N/A**. Each bid shall comprise of a clearly indexed proposal as follows:

<b>Section A</b>	<b>Compulsory Returnable Documents</b>	<b>Attached YES/NO/N/A</b>
a.	Invitation to Bid (SBD 1) must be fully completed.	
b.	Fully completed Pricing Schedule.	
c.	Fully completed SBD4 (Declaration of Interest).	
d.	Fully completed SBD 6.1 (Preference Claim Certificate).	
e.	A Valid Pin Letter from SARS. Failure to submit a Valid Pin Letter, your submitted bid proposal will be considered non-responsive and shall be	

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

Section A	Compulsory Returnable Documents	Attached YES/NO/N /A
	invalidated or disqualified and not considered further for evaluation. <b>Tax status must remain compliant for the duration of 90 days after the closure of the bid.</b>	
f.	Originally certified copies of CIPRO/ CIPC Company registration documents, share certificates indicating each director's percentage shareholding. The date on the certificate must not be older than three (3) months as at the closing date of the bid.	
g.	A certified copy of an agreement and a resolution by each party if the bidders are in a joint venture/consortium/partnership. If the bidder is not in a venture/consortium/partnership, this section is not compulsory.	
h.	Certified copies of identity documents/valid passports and work permits of all the directors of the company. The date on the certified copies must not be older than <b>one (1)</b> month as at the closing date of the bid.	
i.	Proof of VAT registration in the bidder is VAT registered	
j.	Letter of good standing, issued by the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act, 1993. The Certificate must be valid as at the closing date of the bid. A letter of intent will not be accepted and will lead to automatic disqualification.	
k.	<p>A detailed copy of Central Supplier Database (CSD) printout/ report. The National Treasury Instruction No. 4 of 2016/17 requires service providers, including bidders, to register on the Central Supplier Database (CSD). Compulsory returnable documents together with the reports from the CSD will be used in order to verify bidders' information and compliance to the requirement including:</p> <ul style="list-style-type: none"> <li>i. Company registration</li> <li>ii. Directorship, shareholding, trusteeship and membership</li> <li>iii. Bank account holder details</li> <li>iv. State employees' status</li> <li>v. Tax compliance status</li> <li>vi. Identity information, etc.</li> <li>vii. Historically Disadvantaged Individuals.</li> </ul>	

NB. All bid documents must be securely bound and initialed on each page except file dividers.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

**BIDDERS WHO FAIL TO ATTACH ANY OF THE COMPULSORY DOCUMENTS AS LISTED ABOVE WILL BE DISQUALIFIED**

**II. Supporting Returnable Documents**

<b>Section B</b>	<b>Supporting Returnable Documents</b>	<b>Attached YES/NO</b>
a.	<b>A total of 10 preference points shall be allocated on a proportional basis to enterprises owned by historically disadvantaged persons or individuals.</b> For enterprise that is owned by disabled person(s), they must provide a copy of confirmation from a Professional Medical Officer registered with the Health Professions Council of South Africa (HPCSA). <b><i>Attach a copy of Corporate Social Investment (CSI) or Social Labour Plan proposition to claims points</i></b>	
b.	The LTSM management plan to be drafted must provide full particulars on the administration of operations required for the efficient execution of the contract to ensure that all deliverables are met in accordance with the contract timelines.	
c.	Submission of an original letter from an accredited financial institution confirming that the bidder already has revolving credit, overdraft or cash. Original letter should be submitted.	
d.	Processes and Equipment to manage and execute on premises the eLTSM processes from End-to-End including	
e.	Evidence of Experience in LTSM procurement service in a form of an appointment letter or a purchase order together with a confirmation from the relevant institution signed by the Accounting Officer/Accounting Authority thereof.	
f.	Evidence of experience of key personnel in LTSM procurement management services	
g.	Warehousing Facilities with a minimum of 10 000m <sup>2</sup> or proof of Leasing if outsourced, and clearly demarcated areas for the different LTSM and eLTSM requirements	
h.	Provide comprehensive details on how the contract will stimulate local economic growth.	

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

**NB: Failure of the bidder to attach any of the above supporting documents will result in zero points during the evaluation process.**

### III. Stage 2 - Evaluation in terms of Functionality

Points to be allocated for functionality are as follows:

Functionality	100
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### IV. Phase 1 - Functionality

Points allocated for functionality are 100, and members of the Bid Evaluation Committee (BEC) will strictly evaluate the bid by verifying all documents submitted by bidders and score responsive bids under the following functionality criteria:

Criteria For Functionality Evaluation	Points	Maximum points
<b>A: LTSM Management Plan</b>		10
The LTSM management plan to be drafted must provide full particulars on the administration of operations required for the efficient execution of the contract to ensure that all deliverables are met in accordance with the contract timelines. Availability of a project management plan and process maps that defines and illustrates the value chain of LTSM in the following areas:		
• Requisitioning & Procurement	4	
• Warehousing	2	
• Pick & Pack	4	
<b>B: eLTSM Management Plan</b>		15
The eLTSM management plan to be drafted must provide full particulars on the administration of operations required for the efficient execution of the contract to ensure that all deliverables are met in accordance with the contract timelines. Availability of a project management plan and process maps that defines and illustrates the value chain of eLTSM in the following areas:		
• Procurement (1);		
• Profiling & Requisitioning (1);		

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

<ul style="list-style-type: none"> <li>• Retrieval &amp; Assessment (1);</li> <li>• Repair Services &amp; Assembly (1);</li> <li>• Warehousing (1);</li> <li>• Aggregation &amp; Pre-Loading (packaging of items) (1).</li> </ul>	6	
<b>Processes and Equipment to manage and execute on premises the eLTSM processes from End-to-End, including:</b>		
Fleet and logistical arrangements for the distribution and delivery of: <ul style="list-style-type: none"> <li>○ LTSM via the trucks/vehicles/SMME distribution network. Proof of ownership/rental/contracting agreement/s to be provided (1 point per 5 trucks) (4),</li> </ul>	4	
<ul style="list-style-type: none"> <li>○ eLTSM via the truck's/vehicles/ SMME distribution network. Proof of ownership/rental/contracting agreement/s to be provided (1 point per 5 trucks) (5).</li> </ul>	5	
<b>C: Capacity to Deliver</b>		10
<b>The following minimum number of personnel, and qualifications are required to deliver on this Project Management Service(s):</b>  <b>Managerial Capacity:</b> Availability of at least two Project Managers with Eight years or more of project management experience: <b>3 points for one manager (5).</b> The Project Managers should have a qualification or related qualification in Project Management.	5	
<b>Project Team Leaders:</b> <ul style="list-style-type: none"> <li>• Availability of at least five key Project/Team Leaders for Specific Workstreams with Five years or more of relevant work experience, <b>2 points per manager (5).</b></li> </ul> The Project/Team Leaders should have a qualification or related qualification in at least one of the following areas: Project/Business Management, Financial Management, Supply Chain Management, Legal, Computer Science. The bidder must submit certified copies of relevant qualifications and/or certificates for above.	5	
<b>D. Management Information Systems, Database and Reporting Systems (to be confirmed through in loco inspection)</b>		15



Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

Availability and readiness of Operational & Reporting Systems to be used in the execution and monitoring of LTSM and eLTSM:		
<ul style="list-style-type: none"> <li>Have electronic web-based systems that shall enable institutions to procure LTSM and eLTSM efficiently and effectively, also facilitating control and reporting: in managing requisitioning, profiling, procurement, financial transactions, vendor engagement, and inventory tracking</li> </ul>	5	
<ul style="list-style-type: none"> <li>Electronic web-based system handling the scheduling and monitoring of production batches and timelines with audit reporting capabilities</li> </ul>	5	
<ul style="list-style-type: none"> <li>Encryption of the pre-loaded e-Content/Digital Content to avoid deletion and unauthorized duplication of e-Content/Digital Content.</li> </ul>	5	
<b>E. Warehousing &amp; Distribution Facilities (to be confirmed through in loco inspection)</b>		23
<ul style="list-style-type: none"> <li>Warehousing Facilities with a minimum of 10 000m<sup>2</sup> or proof of Leasing if outsourced, and clearly demarcated areas for the different LTSM and eLTSM requirements</li> </ul>	8	
<ul style="list-style-type: none"> <li>Viable Security measures and related insurance indemnities to safeguard LTSM and eLTSM in the Warehouse and in transit during deliveries to schools and retrievals from schools. (e.g. Physical &amp; Electronic Systems)</li> </ul>	3	
<ul style="list-style-type: none"> <li>Dedicated Picking and Packaging and Storage for LTSM (2) and eLTSM (2)</li> </ul>	4	
<ul style="list-style-type: none"> <li>Access to dedicated workstations for Retrieval (2), Assessment (2), Clinic Services (2), and Pre-loading of e-Content: 1 point per 1000 loading stations (2)</li> </ul>	8	
<b>F. Customer Support (to be confirmed through in loco inspection)</b>		4
Availability and readiness of a support desk system (email, web portal, telephone) for schools and stakeholders that:		

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

<ul style="list-style-type: none"> <li>Enables centralized issue logging, tracking, resolution, and escalation to management based on a directive received from the MDoE LTSM Project Team</li> </ul>	3	
<ul style="list-style-type: none"> <li>A dedicated MDoE contact Centre number for all schools in scope</li> </ul>	1	
<b>G: Local Economic Growth</b>		3
Provide comprehensive details on how the contract will stimulate local economic growth. The plan must set out:		
<ul style="list-style-type: none"> <li>Affirmative procurement targets-clear commitments to subcontracting to and sourcing from local SMMEs</li> </ul>	1	
<ul style="list-style-type: none"> <li>Employment creation goals – projected job opportunities for local residents</li> </ul>	1	
<ul style="list-style-type: none"> <li>Skills development and knowledge-transfer programmes – initiatives to equip both company staff and SMME partners with expertise in project management, finance, administration and risk management</li> </ul>	1	
<b>H: Company Experience</b>		10
Evidence of experience in the procurement, warehousing and distribution of learning and teaching support material and electronic learning. In a form of an appointment letter/contract or purchase order together with a confirmation letter from a relevant institution signed by the Accounting Officer/ Accounting Authority thereof:		
<ul style="list-style-type: none"> <li>5 years and above</li> </ul>	10	
<ul style="list-style-type: none"> <li>3-4</li> </ul>	8	
<ul style="list-style-type: none"> <li>2-3</li> </ul>	6	
<ul style="list-style-type: none"> <li>1-2</li> </ul>	4	
<ul style="list-style-type: none"> <li>0-11 months</li> </ul>	2	
Submission of an original letter from an accredited financial institution confirming that the bidder already has revolving credit, overdraft or cash. Original letter should be submitted.		10
<ul style="list-style-type: none"> <li>For R 5 000 000 and above revolving credit, overdraft or cash</li> </ul>	10	

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

• For R 3 500 000 and above revolving credit, overdraft or cash	8	
• For R 2 00 000 and above revolving credit, overdraft or cash	6	
• For R 1 000 000 and above revolving credit, overdraft or cash	4	
<b>Total</b>		<b>100</b>

### Criteria for Presentations and Site Visit/Inspection

#### A: PRESENTATIONS

- Display Infrastructure Features, Practicality, Reliability and Systems and Organogram of Project Teams of the proposed LTSM and e-LTSM Project and Operational Activities.
- Detailed knowledge, understanding and experience in providing End-to-End Project Office, Project Management and Support Services within this sector (provide examples related to understanding of LTSM and eLTSM provisioning to Schools and MDoE Workstreams as far as possible).

#### B: DEMONSTRATION(S)

- Demonstrations of the readiness of the bidding entity to have a fully-fledged and functional Operation/Operational and Management System/s.
- Demonstrations of the readiness of the bidding entity to have a fully-fledged and functional Project Management Office, Project Management Units, Managerial and Technical Personnel and Management System/s.
- Outline and Demonstrate the Reporting System/s to be used in:
  - Stock and Inventory
  - Retrieval, Assessments & Clinic Services
  - Delivery
  - School Support and ICT Resource Utilisation
  - Examples of Integration and End-to-End Reporting Capabilities

#### C: FACILITIES WALK ABOUT

- Warehousing, Conference/Training, Pre-loading of e-Content Facilities, Clinic & Repairs Services, Dedicated Workstations for Picking and Packaging per LTSM and eLTSM requirements; (or letter of intent if out-sourcing - however, the facility must be available for inspection/visit).
- Outline of process maps for Operational and Warehousing protocols, including Receiving, Device Assessment, Repair/Refurbishment & Clinic Services, Pre-Loading of e-Content, Dispatch and Security Systems (Physical and Electronic (and innovations to enhance efficiency and effectiveness).

**The points scored for functionality shall be calculated as follows:**

- a) Each BEC member shall award points for each criterion on the score sheet.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

- b) The assessment of functionality shall be done in terms of the above-mentioned evaluation criteria and minimum threshold of 70 points.
- c) All bidders who score the minimum threshold of 70 points or above shall advance to phase II of the bidding process.
- d) Bids/proposals that do not score the above specified minimum points for functionality shall be disqualified.

#### V. Phase II: Preference Points in terms of PPPFA

Responsive bids shall be evaluated further in terms of the 90/10 preference points system where 90 points will be used only for price and 10 points for the specific goals on equity ownership.

#### Evaluation in terms of the 90/100 preference point system

Evaluation for price and specific goals on equity ownership:

<b>Price</b>	<b>90</b>
<b>Specific goals</b>	<b>10</b>

**In terms of points for price (90):** The lowest acceptable bid shall obtain the maximum percentage allocated for price. The other bids with higher prices shall proportionately obtain lower points. The final points for the selection of a preferred bidder shall be calculated as follows:

$$P_s = 90$$

$$\left[ \frac{1 - P_t - P_{min}}{P_{min}} \right]$$

Where:

$P_s$  = Points scored for comparative price of tender or offer under consideration

$P_t$  = Comparative price of tender or offer under consideration and

$P_{min}$  = Comparative price of lowest acceptable tender or offer

**Note:** The preference claim forms are part of the standard bidding document.

**In terms of points for specific goals (10):** a maximum of 10 points shall be awarded to a bidder(s) in respect of specific goals on equity ownership as contemplated in sub-regulation

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

(2) of the PPPFA (Act No.5 of 2000) and section 8 of the MDoE Preferential Procurement Policy. These points will be added to those scored for price as calculated in accordance with sub-regulation (1) of the PPPFA.

Equity ownership points will be according to the generic scorecard below:

<b>Description</b>	<b>Points (90/10)</b>
Enterprises that are at least 51% that are black owned	2
Enterprises that are at least 51% women-owned	2
Enterprises that are at least 25% owned by disabled persons	2
Enterprises with at least a 25% ownership by youth	2
Corporate Social Investment (CSI) or Social Labour Plan proposition to claims points	2
Non-compliant	0

### **Phase III: Recommendations**

The bidder(s) with the highest points shall then be recommended for appointment subject to section 2(1) (f) of the PPPFA.

- The needs of the MDoE in terms of its operations regarding the procurement, warehousing and distribution of learning and teaching support material and electronic learning.
- The service providers' experience in the operations related to the procurement, warehousing and distribution of learning and teaching support material and electronic learning.
- The service providers' experience in the procurement, warehousing and distribution of learning and teaching support material and electronic learning.
- The service providers' capacity (i.e. financial viability; effectiveness, efficiency, reliability) the procurement, warehousing and distribution of learning and teaching support material and electronic learning.
- The service provider's overall ability to provide a service characterised by quality, accuracy and speed.

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

**BIDDER SIGNATURE**

**DATE**

## **SECTION C : PRICING SCHEDULE**

<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts up to Rm100</b>					
<b>A. LTSM and eLTSM</b>	<b>Y1 %</b>	<b>Y2 %</b>	<b>Y3 %</b>	<b>Y4 %</b>	<b>Y5 %</b>
End to End Management and Insurance Fee					
Fulfilment, ERP, WMS and Reporting Fee					
Distribution Fee (Subcontracted to SMME's)					
<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts from Rm201 to Rm300</b>					
<b>B. LTSM and eLTSM</b>	<b>Y1 %</b>	<b>Y2 %</b>	<b>Y3 %</b>	<b>Y4 %</b>	<b>Y5 %</b>
End to End Management and Insurance Fee					
Fulfilment, ERP, WMS and Reporting Fee					
Distribution Fee (Subcontracted to SMME's)					
<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts from Rm301 to Rm400</b>					
<b>C. LTSM and eLTSM</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

	%	%	%	%	%
End to End Management and Insurance Fee					
Fulfilment, ERP, WMS and Reporting Fee					
Distribution Fee (Subcontracted to SMME's)					
<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts from Rm401 to Rm500</b>					
<b>D. LTSM and eLTSM</b>	<b>Y1 %</b>	<b>Y2 %</b>	<b>Y3 %</b>	<b>Y4 %</b>	<b>Y5 %</b>
End to End Management and Insurance Fee					
Fulfilment, ERP, WMS and Reporting Fee					
Distribution Fee (Subcontracted to SMME's)					
<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts above Rm500</b>					
<b>E. LTSM and eLTSM</b>	<b>Y1 %</b>	<b>Y2 %</b>	<b>Y3 %</b>	<b>Y4 %</b>	<b>Y5 %</b>
End to End Management and Insurance Fee					
Fulfilment, ERP, WMS and Reporting Fee					
Distribution Fee (Subcontracted to SMME's)					
<b>MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts up to Rm100</b>					

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

B. eLTSM Support Services	Y1 (Per device / Rand based)	Y2 (Per device / Rand based)	Y3 (Per device / Rand based)	Y4 (Per device / Rand based)	Y5 (Per device / Rand based)
Production / Deployment Fee					
Retention and Retrieval Service Fee					
On-site School Support Service Fee					
Armed Escort Services	RFP Per device / Rand based				
Repair/Refurbishment & Digital e-waste Disposal Fee	RFP Per device / Rand based				
MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts from Rm201 to Rm300					
B. eLTSM Support Services	Y1 (Per device / Rand based)	Y2 (Per device / Rand based)	Y3 (Per device / Rand based)	Y4 (Per device / Rand based)	Y5 (Per device / Rand based)
Production / Deployment Fee					
Retention and Retrieval Service Fee					
On-site School Support Service Fee					
Armed Escort Services	RFP Per device / Rand based				
Repair/Refurbishment & Digital e-waste Disposal Fee	RFP Per device / Rand based				
MANAGEMENT / ADMINISTRATION FEES FOR RESPECTIVE TERMS OF THE BID: Estimated budget amounts from Rm301 to Rm400					
B. eLTSM Support Services	Y1 (Per device / Rand based)	Y2 (Per device / Rand based)	Y3 (Per device / Rand based)	Y4 (Per device / Rand based)	Y5 (Per device / Rand based)
Production / Deployment Fee					
Retention and Retrieval Service Fee					
On-site School Support Service Fee					
Armed Escort Services					
Repair/Refurbishment & Digital e-waste Disposal Fee					



Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

B. eLTSM Support Services	Y1 (Per device / Rand based)	Y2 (Per device / Rand based)	Y3 (Per device / Rand based)	Y4 (Per device / Rand based)	Y5 (Per device / Rand based)
Production / Deployment Fee					
Retention and Retrieval Service Fee					
On-site School Support Service Fee					
Armed Escort Services	RFP Per device / Rand based				
Repair/Refurbishment & Digital e-waste Disposal Fee	RFP Per device / Rand based				

TOTAL	Y1	Y2	Y3	Y4	Y 5
VAT					
GRAND TOTAL					
TOTAL BID PRICE					

#### **SECTION D - GENERAL CONDITIONS OF CONTRACT (GCC)**

22. Any appointment made is subject to the bidder(s) accepting the terms and conditions contained in the General Conditions of Contract (GCC) and Service Level Agreement (SLA). Both the GCC and SLA are in line with Treasury Regulation 16A, published in terms of the Public Finance Management Act, 1999 (Act.No.1 of 1999).

- a. The bidder(s) accepting the terms and conditions contained in the GCC as the minimum terms and conditions upon which MDoE is prepared to enter into a contract with the successful bidder(s).
- b. The bidder submitting the GCC to MDoE together with its bid, duly signed by an authorised representative of the bidder.
- c. The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- d. The supplier shall not, without the Department'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.

- e. The supplier shall indemnify the Department against all third-party claims of infringement of patent, trademark, or industrial design rights arising from the use of the goods or any part thereof by the purchaser.
- f. Supplies and services which do not comply with the contract requirements may be rejected. Any supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his/her 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 supplier's cost and risk.
- g. Should the supplier fail to provide the substitute supplies forthwith, the Department may, without giving the supplier a further opportunity to substitute the rejected supplies, purchase such as may be necessary at the expense of the supplier.
- h. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit, 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.
- i. 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 Special Conditions of Contract (SCC), and in any subsequent instructions ordered by the Department.
- j. Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. 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.

- k. The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the Department'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.
- l. The method and conditions of payment to be made to the supplier under this contract shall be specified in SLA. 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. Payments shall be made promptly by the Department, but in no case later than 30 days after submission of an invoice or claim by the supplier. Payment will be made in Rand.
- m. Prices levied by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted in his/her bid. No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- n. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the Department in the contract. If at any time during performance of the contract, the supplier should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the Department 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 Department 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.

- o. The Department 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 Department. (b) if the supplier fails to perform any other obligation(s) under the contract; or (c) if the supplier, in the judgment of the Department, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- p. If a force majeure situation arises, the supplier shall promptly notify the Department in writing of such condition and the cause thereof. Unless otherwise directed by the Department 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.
- q. The Department may at any time terminate the contract by giving written notice to the supplier if he/she 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 Department.
- r. If any dispute or difference of any kind whatsoever arises between the Department 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. If, after 30 days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Department or the supplier may give notice to the other party of his/her intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- s. The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English. The contract shall be interpreted in accordance with South African laws.

- t. The supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Department. 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. Therefore, bidder(s) must be tax compliant when submitting their bids and must comply (throughout the contract period) with all applicable pieces of tax legislation- including but not limited to the Income Tax Act, 1962 (Act. No. 58 of 1962) and the Value Added Tax Act (Act. No. 89 of 1991).
- u. The bid shall not be awarded to a bidder(s) who is not tax compliant. The Department reserves the right to withdraw an award, or cancel a contract concluded with a supplier if it is established that such a supplier was not tax compliant at the time of the award, or has submitted an invalid Tax Clearance Certificate for the bid.
- v. It is a condition of contract that tax matters of the appointed supplier should be in good order, or proof is submitted confirming that satisfactory arrangements have been made with the South African Revenue Service (SARS). Tax Compliance status is also applicable to foreign bidders / individuals who wish to submit bids.
- w. Bidders are required to be registered on the Central Supplier Database (CSD) and the National Treasury shall verify the bidder's tax compliance status through the CSD. In the case of Consortium/Joint Ventures/Partnership, each party **must** be registered on the CSD and its tax compliance status will be verified from this database.
- x. Bidders may seek clarity on additional information on certain areas. Only written requests shall be considered by the MDoE, provided that these are reasonable as to the timing and content. In order to maintain transparency and equity, the Department shall supply all bidders with the requested additional information.

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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## **SECTION E: SPECIAL CONDITION OF CONTRACT (SCC)**

### **23. LEGISLATIVE AND REGULATORY FRAMEWORK OF THE BID**

- a) The bid and all contracts emanating from it will be subject to the GCC issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, (Act. No.1 of 1999).
- b) The SCC are supplementary to those of the GCC. Where the Special Conditions are in conflict with the General Conditions of Contract, the Special Conditions of Contract take precedence.
- c) The service provider should adhere to high standards of safety when supplying the goods and services in the Department.
- d) In terms of the South African Schools Act (SASA) 84/1996 and with special reference to section 21(2), the Head of Department has delegated a list of functions in section 21(1) thereof. The Act places a mutual obligation on both Head of Department (HOD) and the School Management to utilize and control the allocation of funds and resources in an effective and efficient manner and to report thereon as required by the PFMA. The resourcing of a public school must be in compliance with the legal and legislative framework of the Mpumalanga of Education (hereafter referred to as MDoE). The MDoE has been tasked to carry out its mandate responsibly and to ensure that the best interest of the child as captured in the Constitution's Bill of Rights, chapter 2, clause 28(2) and 29(1) are paramount through the provisioning of quality education to all learners.

### **24. MPUMALANGA DEPARTMENT OF EDUCATION RESERVES THE RIGHT:**

- a) To negotiate with one or more preferred bidder(s) identified during the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any bidder(s) who has not been awarded the status of being a preferred bidder(s).
- b) To carry out site inspections, evaluations or assessment meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after the adjudication of the bid.
- c) To correct any mistake in the bid documents or has occurred at any stage of the bidding process.



**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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- d) To cancel and/or terminate the bidding process at any stage, including after the closing date, and/or after presentations, and/or after evaluation and/or after the preferred bidder(s) have been identified.
- e) Award to multiple or single bidders regardless of locality.
- f) If the price offered by a bidder scoring the highest points is not market-related, the department may not award the contract to the bidder(s).
- g) Negotiate a market related price with the bidder scoring the highest points or cancel the bid;
- h) If the bidder does not agree to a market-related price, negotiate a market-related price with the bidder scoring the second highest points or cancel the bid;
- i) If the bidder scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the bidder scoring the third highest points or cancel the bid.
- j) To inform the successful bidders to provide carriage as and when the need arises
- k) Cancel the bid.

## **25. MPUMALANGA DEPARTMENT OF EDUCATION REQUIRES BIDDER(S) TO:**

25.1 Confirm that the bidder(s) is to: -

- a) Act honestly, fairly and with due diligence, in the interests of the MDoE;
- b) Have and use effectively the resources, procedures and appropriate systems for the proper rendering of the service;
- c) Act with circumspection and treat the MDoE fairly in a situation of conflicting interest;
- d) Comply with all applicable statutory or common law requirements that are applicable to the business;
- e) Make adequate disclosures of relevant material information including disclosures of actual or potential own interest, in relation to dealings with the MDoE;
- f) Conduct their business activities with transparency, and consistently uphold the interests and needs of the MDoE as a client before any other consideration; and

- g) Ensure that any information acquired by the bidder(s) from the MDoE will not be used or disclosed without a written consent of the Department.

## **26. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

- a) The MDoE reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect member (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of Mpumalanga Department of Education or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity") :
- b) engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid; seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c) makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the MDoE officers directors, employees, advisors or other representatives;
- d) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- e) pays or agrees to pay any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- f) has in the past engaged in any matter referred to above; or
- g) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at the National Treasury.

## **27. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

- a) The bidder should note that the terms of its bid will be incorporated in the proposed contract by reference, and that the MDoE relies upon the bidder's tender as a material representation in making an award.
- b) It follows therefore that misrepresentations in a bid may give rise to service termination and a claim by the MDoE against the bidder notwithstanding the conclusion of the Service Level Agreement between two parties.

## **28. PREPARATION COSTS**

- a) The bidder will bear all its costs in preparing, submitting and presenting any response or tender of this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing the MDoE, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of his/her response to this bid.
- b) In the event of a conflict between the bidder's proposal and the Service Level Agreement as concluded between the parties, the Service Level Agreement supersedes.

## **29. INDEMNITY**

If a service provider breaches the conditions of this bid, as a result of that breach, the Department incurs costs or damages (including the cost of any investigations, procedural impairment, repudiation of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the service provider shall indemnify the MDoE for damages or harm and all such costs that the Department may incur.

## **30. PRECEDENCE**

This document will prevail over any information provided unless such written information, expressly amends this document by reference.

## **31. LIMITATION OF LIABILITY**

A bidder(s) participates in this competitive process entirely at his/her own risk and cost. The MDoE shall not be liable for any cost incurred or any damages suffered as a result of the bidder's participation in this bidding process.

## **32. TAX COMPLIANCE**

- a) No award shall be made to a bidder(s) who is not tax compliant. The MDoE reserves the

**Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.**

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right to withdraw an award, or cancel a contract concluded with a bidder in the event that it is established that such a bidder was in fact not tax compliant at the time of the award, or has submitted an invalid Tax Clearance Certificate for the bid.

- b) Bidder(s) must be tax compliant when submitting a bid/proposal to the MDoE and remain compliant with all applicable tax legislation- including but not limited to the Income Tax Act, (Act. No. 58 of 1962) and Value Added Tax Act, (Act. No. 89 of 1991) throughout the duration of the contract.
- c) It is a condition of this bid that the tax matters of the successful bidder(s) be in order, or that satisfactory arrangements have been made with the South African Revenue Services (SARS) to meet tax obligations.
- d) The Tax Compliance status requirements are also applicable to foreign bidders / individuals.
- e) It is a requirement that bidders a written confirmation when submitting this bid that SARS may on an on-going basis during the tenure of the contract, disclose the bidder's tax compliance status.
- f) Bidders are required to be registered on the Central Supplier Database (CSD) and the National Treasury shall verify the bidder's tax compliance status through the CSD process.
- g) Where Consortium / Joint Ventures / Partnership are involved, each party **must** be registered on the CSD and its tax compliance status will be verified through this database.
- h) The bidder must ensure that the tax status with SARS remains compliant for the duration of the bid validity period)

### **33. PROCUREMENT LEGISLATION**

The MDoE has a detailed evaluation methodology premised on Treasury Regulation 16A3 as promulgated under Section 76 of the Public Finance Management Act, PFMA (Act. No. 1 of 1999 as amended); the Preferential Procurement Policy Framework Act. PPPFA (Act. No. 5 of 2000).

### **34. TECHNICAL LEGISLATION AND /OR STANDARDS**

Bidder(s) should be cognisant of the applicable legislations and / or standards for this service.

### **35. VALIDITY PERIOD**

The validity of the bid and the withdrawal of offers, after the closing date and time is **90** days. Any time or date in this bid is subject to change at the discretion of the MDoE. **The**

**specification of a time or date in this bid** does not create an obligation on the part of MDoE to take any action or create any right in any way for any bidder to demand that any action should be taken on the specific date. The bidder(s) accepts that if the MDoE extends the deadline for bid submission (the closing date) for any reason, the requirements of this bid apply equally to the extended deadline.

### **36. CONTACT AND COMMUNICATION**

- a) The Department may communicate with bidder(s) where clarity is sought on the bid proposal.
- b) Any other forms of communication to an official or a person acting in an advisory capacity for the Department in respect of the bid between the closing date and the award of the bid by the bidder(s) is discouraged.
- c) All communication between the bidder(s) and Department must be in writing.
- d) Whilst all due care has been taken in connection with the preparation of this bid, Department makes no representation or warranties that the content of the bid or any information communicated to or provided to bidder(s) during the bidding process is, or will be, accurate, current or complete. The Department and its employees and advisors will not be liable for any information communicated which may not be accurate, current or complete.
- e) If a bidder(s) finds or reasonably believes that there is discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the Department (other than minor clerical matters), the bidder(s) must promptly notify the Department in writing of such discrepancy, ambiguity, error or inconsistency. This will afford the Department an opportunity to consider possible corrective measures (if any).
- f) Any discrepancy, ambiguity, error or inconsistency in the bid or other information provided by the Department will, if possible, be corrected and provided to all bidder(s) without attribution to the bidder(s) who notified the Department about any reference to the omission(s).
- g) All persons (including bidder(s)) obtaining or receiving the bid, and any other information in connection with the bid or the bidding process, must keep the contents of the bid and such information confidential. The information must not be disclosed or used except for the purpose of developing a proposal in response to this bid.

### **37. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

No bid shall be awarded to a bidder(s) whose name (or any of his/her company members, directors, partners or trustees) appear on the Register of Tender Defaulters

of the National Treasury or have been placed on the National Treasury's List of Restricted Suppliers. The Department reserves the right to withdraw an award, or to cancel a contract with a bidder should it be established, at any time, that the bidder(s) is blacklisted by the National Treasury or another government institution/agency.

### **38. GOVERNMENT LAW**

The South African law governs this bid and the related bidding process. The bidder(s) agrees to submit to the exclusive jurisdiction of the South African courts if any dispute of any kind may arise out of or in connection with this bid, the bid itself and all processes associated it.

### **39. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL**

A bidder is responsible for ensuring that his/her personnel (including agents, officers, directors, employees, advisors and other representatives, sub-contractors (if any) and personnel of sub-contractors) comply with all terms and conditions of this bid. In the event that the Department allows a bidder to use sub-contractors, the sub-contractors will at all times remain the responsibility of the bidder. The Department will not under any circumstances be liable for losses or damages incurred by or caused by such sub-contractors.

### **40. LATE BIDS**

Bids submitted after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, will be returned unopened to the bidder(s).

### **41. COUNTER CONDITIONS**

Amendments to any of the terms and conditions or inclusion of counter terms and conditions for this bid are prohibited. Bids with such unauthorised amendments, terms and conditions will not be considered.

### **42. FRONTING**

- a) The Department supports the spirit of Broad Based Black Economic Empowerment and recognizes that real empowerment can only be achieved through individuals and businesses that conduct their affairs in accordance with the values of the Constitution of

the Republic of South Africa (RSA) that is honesty, fairness, equity, transparency and rule of law. It is in this context that the Department frowns upon any form of fronting and corruption.

- b) The Department, in ensuring honesty, as part of the bid evaluation process, will conduct or initiate the necessary enquiries in order to determine the accuracy of the representations made in the bid documents. Should any of the fronting indicators in the Guidelines on Complex Structures and Transactions and Fronting, (Department of Trade and Industry), be established. The bidder(s) bears the onus to prove that he/she is not involved in fronting. Failure to do so within a period of **10** days from the date of notification, may invalidate the bid / contract and result in a ban on business transactions with government/state for a period not exceeding **10** years.

#### **43. SUPPLIER DUE DILIGENCE**

The Department reserves the right to conduct supplier due diligence prior to final or at any time during the contract period. This may include site visits and requests for additional information.

#### **44. SUBMISSION OF BIDS**

- a) Bid documents may either be posted to or deposited in the bid box as stipulated in SBD1 on or before the closing date and time.
- b) Bid documents will only be considered if received by the Department before the closing date and time, regardless of the method used to send or deliver bid documents to the Department.

#### **45. PRESENTATION / DEMOSTRATION**

The Department also reserves the right to request presentations / demonstrations from the short-listed bidders as part of the bid evaluation process.

#### **46. PRICING STRUCTURE**

- a) Price quotations must be furnished on the basis of goods that have been requested by the Department.
- b) Prices submitted for this bid must be filled on the field of the pricing schedule of the bid document. Price structures that do not comply with this requirement may invalidate the bid.
- c) Failure to comply with the above may result in the invalidation of the bid.
- d) Bidders must bid on **ALL ITEMS** on the pricing schedule, as the bid may be awarded to

Appointment of a project management unit (PMU) to manage the procurement and distribution of Learning and Teaching Support Material (LTSM), including E-Learning Materials for a period of five (5) years with an option to renew for two years.

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one or more bidder bidders.

- e) The prices of (service) must be inclusive of all costs.
- f) All prices are fixed for first year and no requests for price escalations will be considered during this period.

**Price adjustment will be in line with Consumer Price Index (CPIX).**

#### **47. QUANTITIES AND ESTIMATES**

- a) Official orders will be placed on an “as and when” the goods are required.
- b) The Department will issue an official order before the goods are delivered.

#### **48. AWARD CONDITIONS**

- a) The Department reserves the right to award the bid to one or more bidders.
- b) The Department further reserves the right to appoint or not to appoint a service provider(s) for this bid.

#### **49. PAYMENT**

**The bidder(s) are expected to supply the invoice claim only after the service has been rendered;**

- a) Payment will be affected only after receipt of a detailed invoice and a signed certificate of completion to confirm receipt of service.
- b) The following information must be included in the invoices and weekly report / statement:
  - Items delivered to the Department
  - Service date
  - Quotation
  - Copy of Order number issued by the Department
  - Original Invoice
  - Total amount due by the Department.

#### **50. DAMAGE COMPENSATION**

The bidder shall be held responsible for any damage or thefts that may be caused to the premises or content by him or his employees or due to their neglect whether in the normal execution of their duties or otherwise and a claim for indemnification can accordingly, be imposed by the Department against the bidder.

#### **51. RECTIFICATION OF DAMAGES**



In the case of damages to, equipment, etc. resulting from the rendering of the service the bidder undertakes to rectify the damage immediately to the satisfaction of the Department. If the bidder fails to act immediately after notification, the Department would rectify the damages and any costs incurred be recovered from any moneys outstanding.

## **52. WARRANTY PERIOD**

The appointed service provider shall provide a minimum warranty period of two (2) years on all office furniture supplied, covering:

- a) Structural integrity (frames, joints, materials);
- b) Manufacturing defects;
- c) Workmanship and
- d) Premature wear under normal use.

The warranty must be valid from the date of final assembling and acceptance of each furniture item at its designated site.

## **53. QUALITY STANDARDS**

All furniture must:

- a) Be new, unused, and of first-grade quality;
- b) Comply with relevant SANS/SABS standards for office furniture and ergonomic safety;
- c) Be manufactured using durable and environmentally friendly materials suitable for heavy-duty institutional use; and
- d) Be fit-for-purpose, considering the working conditions of the Department of Education's administrative and school-based environments.

## **54. RECTIFICATION AND REPLACEMENT**

- a) The service provider shall be required, at their own cost, to repair or replace any item found to be defective during the warranty period within 14 working days of receiving written notice from the Department.
- b) Failure to comply will entitle the Department to procure the item from an alternative supplier at the contractor's cost and/or withhold payment.

## **55. WARRANTY DOCUMENTATION**

- a) Bidders must submit written warranty undertakings from manufacturers/suppliers with their bid.
- b) Warranty certificates must be handed over to the Department upon final delivery and acceptance of the furniture.

## **56. TERMINATION AND/OR WITHDRAWAL**

- a) Failure to comply with any of the conditions of the bid or unsatisfactory performance, the stipulations of the general conditions of contract and procedures would be applicable.
- b) The Department reserves the right to withdraw any part(s) of the contract or the contract as a whole from the service, with a three months' written notification to the bidder.
- c) Should part of the contract be withdrawn, the bid, amount would be adjusted pro-rata from the date of withdrawal.
- d) A service provider performs unsatisfactorily and fails to remedy such poor or non-performance within five (5) days of receipt of written request to do so, it excludes cases where it is impossible to render the service or instances/events beyond the reasonable control of the service provider.
- e) The bidder would be entitled to payment of the service rendered up to the date of withdrawal but would not be entitled to payment or any compensation or damages as a result of the withdrawal or termination.
- f) An amendment or waiving of the stipulations of the contract must occur in writing by mutual consent through the Department. Should the bidder alienate any right liabilities in terms of this contract, the bidder must notify the Department immediately that necessary steps for the transfer of the contract can be taken.

## **57. DURATION OF THE CONTRACT**

The duration of the contract is five (5) years with an option for a two (2) year renewal.

## **58. FINANCIAL ADMINISTRATION**

The bidder shall adhere to the Department's accounting and control measures in respect of due performance before and after delivery of the service and shall comply with the formalities set by the Department for claiming in terms of the service rendered.

## **59. INDEMNITY**

The service provider hereby indemnifies the MDoE against any loss, expenses, damage or injuries which may be sustained by a third party (including the learners) as well as any claim or legal proceedings and legal costs, including attorney and client costs, that may be instituted against or incurred by the MDoE and which arise from or are the result of any act or commission of the service provider or any employee or agent of the service provider in connection with or in the execution of the agreement, or that may arise from an agreement entered into by them on behalf of the MDoE.

## **60. SUMMARY TERMINATION OF AGREEMENT BY THE DEPARTMENT OF EDUCATION**

The MDoE has the right to terminate this agreement at any time by giving (30) thirty days through a written notice to the service provider in any of the following events:

- a. On breach - If the service provider commits any breach of any terms or conditions of this agreement.
- b. On VAT - If the service provider is not registered as a payer of Value Added Tax and claim VAT from the Department.
- c. On liquidation or insolvency - If the service provider shall be subjected to any provisional or final order of liquidation or sequestration or judicial management with its creditors or execution to be levied on its goods or fail to pay any of its sub-contractors appointed in terms hereof on due date for payment.
- d. On Criminal Conduct - If the service provider is found to have been reasonably and sufficiently implicated in any criminal conduct.
- e. On Insufficient Funds - If there are insufficient Government funds to provide accommodation (boarding facilities) and transport services to the learners.
- f. On bringing the MDoE into disrepute: If the service provider, through omission or commission, brings the name of the MDoE into disrepute. This is inclusive of the service provider failing to honour its financial obligations to suppliers and thereby dragging the Education to courts of law as a respondent.

- g. On changes in Departmental priorities - If the service is no longer required.

## **61. PERFORMANCE MANAGEMENT**

- a) Supplier Performance Management is viewed by the MDoE as a critical component in ensuring value for money in its acquisition process and good supplier relations between itself and all its suppliers.
- a. The successful bidder shall upon receipt of a written notification of an award, be enter into a Service Level Agreement (SLA) with the MDoE which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier 's performance level and ensure effective delivery of service, quality and value add to the Mpumalanga Department of Education.
- b. Bidders are required to comply with the above-mentioned conditions, and to provide a scorecard on how their products / services offering is measured in order to achieve the objectives of the aforementioned conditions.

## **62. AUTHORISATION DECLARATION**

- a) The department reserves a right to verify any information supplied by the bidder and should the information be found to be false or incorrect, the department will exercise any of the remedies available to it in the bid document.
- b) The bidder must ensure that all financial and supply arrangement for goods and services have been mutually agreed upon between the bidder and the third party .No agreement between the bidder and the third party will be binding on the department.

## **63. STRIKES / RIOTS / MARCHES**

In the event there is a strike, the MDoE will take a decision regarding transport services and inform the service provider through the school principal. The Department cannot pay for damages to the service provider's property as a result of strike action / riots / marches.

#### **64. TERMINATION AND OR WITHDRAWAL**

- a) Failure to comply with any of the conditions of the bid or unsatisfactory performance, the stipulations of the general conditions of contract and procedures would be applicable.
- b) The Department reserves the right to withdraw any part(s) of the contract or the contract as a whole from the service, with a three months' written notification to the bidder. Should part of the contract be withdrawn, the bid, amount would be adjusted pro-rata from the date of withdrawal.
- c) A service provider performs unsatisfactorily and fails to remedy such poor or non-performance within five (5) days of receipt of written request to do so, it excludes cases where it is impossible to render the service or instances/events beyond the reasonable control of the service provider.
- d) The bidder would be entitled to payment of the service rendered up to the date of withdrawal but would not be entitled to payment or any compensation or damages as a result of the withdrawal or termination.
- e) An amendment or waiving of the stipulations of the contract must occur in writing by mutual consent through the Department. Should the bidder alienate any right liabilities in terms of this contract, the bidder must notify the Department immediately that necessary steps for the transfer of the contract can be taken.

#### **65. BREACH OF CONTRACT**

- a) If the service is interrupted or temporary delayed as a result of labour disputes, civil revolt, a local or national disaster, or any other cause above the control of the bidder, the parties must mutually agree on the methods to continue with the essential services areas, subject to other stipulations at this bid, to render the service. If the service is not rendered in that specific area at a given time access to that area is forbidden.
- b) In such a case the contract would immediately comply with the request and the bidder would not (as result of such a request) be entitled to bring a claim for loss or damage against the MDE and the bidder indemnifies the MDE against any claim from the employee concerned.

**I fully understand and accept in full, the contents of the special conditions contained in this bid document and authorized to sign and accept these conditions.**



**Particulars of tender** (If applicable)Tender number Estimated Tender amount R Expected duration of the tender  year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
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**Audit**

Are you currently aware of any Audit Investigation against you/the company?  YES  NO  
 If "YES" provide details

  

**Appointment of representative/agent (Power of Attorney)**

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

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

Signature of representative/agent

 -  - 

Date

 Name of representative/  
agent

**Declaration**

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

Signature of applicant/Public Officer

 -  - 

Date

 Name of applicant/  
Public Officer

**Notes:**

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

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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



**SBD4**

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

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

### **3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

**SBD4**

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 **To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise that are at least 51% that are black owned	2			
Enterprise that are at least 51% women owned	2			
Enterprise that are at least 25% owned by disabled person	2			
Enterprise that are at least 25% ownership by youth	2			
Corporate Social Investment (CSI) or Social Labour Plan proposition to claim points	2			

#### **DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

Non-Profit Company  
State Owned Company  
[TICK APPLICABLE BOX]

- 4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:
- i) The information furnished is true and correct;
  - ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
  - iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
  - iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
    - (a) disqualify the person from the tendering process;
    - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
    - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
    - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
    - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

.....

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**



**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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

## **General Conditions of Contract**

### **1. Definitions**

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4. Standards**

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

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

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

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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



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

**16. Payment**

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

**17. Prices**

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

**18. Contract amendments**

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

**19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

**20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

**21. Delays in the supplier's performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
<b>29. Governing language</b>	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
<b>30. Applicable law</b>	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	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.
<b>32. Taxes and duties</b>	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.
<b>33. National Industrial Participation Programme (NIP)</b>	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.
<b>34 Prohibition of Restrictive practices</b>	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)