



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

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REFERENCE : VA49/02-2023/24
ENQUIRIES : MR M KWINANA
TELEPHONE : 012 444 9245

VA49/02-2023/24: THE APPOINTMENT OF A SERVICE PROVIDER FOR DESIGN AND IMPLEMENTATION EVALUATION OF THE PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS (PHSHDAs)

- 1 The closing date and time for submission of bid documents is **12 June 2023 @ 11:00**. No late bid documents will be considered. All bids must please be deposited in the Tender Box situated at the main entrance of (DR. RUTH MOMPATI BUILDING, 260 JUSTICE MAHOMED STREET, SUNNYSIDE, PRETORIA)
- 2 **It is compulsory** that an original proposal/bid documents together with a copy of the original proposal /bid document to be handed in on the closing date of the bid. Please clearly mark by writing "Original" and "Copy" on the relevant bid documents.
- 3 You are invited to bid for the services as specified in the attached forms.
- 3.1 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD 3.3, SBD4, SBD 6.1, as well as any other conditions accompanying this request are applicable.

4. NATIONAL TREASURY CIRCULAR NO 3 OF 2015/2016

- 4.1 From 1 April 2016, institutions/departments may not award any bid to a supplier who is not registered on the Central Supplier Database (CSD).

- 5 **Compulsory:** Please attach a most recent copy of the CSD registration report.

- 6 **A Compulsory Briefing Session Will be Held as follows:**

Date: 01 June 2023

Time: 10:00

Venue: Virtual Meeting – MS TEAMS

- 7 Prospective bidders may send their company's e-mail addresses to tendersenquiries@DHS.gov.za by 31 May 2023 in order to be invited to a compulsory virtual briefing session.

Regards

.....
Ms R Kgantsi (Director)
SUPPLY CHAIN MANAGEMENT
For: **DIRECTOR-GENERAL**
DATE: 17/05/2023
tendercovlet

THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER: BID VA49/02-2023/2024

DESCRIPTION: PROFESSIONAL SERVICE

CLOSING DATE and TIME: 12/06/2023 @11:00

CHECKLIST TO BE COMPLETED BY BIDDERS

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➤ CSD Status Report		
*** 1 ORIGINAL and 1 COPY OF THE WHOLE BID DOCUMENT***		

COMPANY NAME: _____

SIGNATURE _____

DESIGNATION: _____ **DATE:** _____

Bid invitation check list: Compiled: M. KWINANA



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

**DESIGN AND IMPLEMENTATION EVALUATION OF THE PRIORITY HUMAN SETTLEMENTS
AND HOUSING DEVELOPMENT AREAS (PHSHDAs)**

May 2023

**National Department of Human Settlements
Chief Directorate: Sector IMS Performance Monitoring and Evaluation**

1. SITUATION ANALYSIS

The department of human settlements continues to work to improve housing delivery in the right location. The major challenges are the rate of urbanization, smaller household sizes and the growing demand for housing that far outstrips delivery and the stubborn separation of our past.

In respect of spatial planning the Apartheid morphology is the greatest nemesis within which transformation and consolidation of human settlements is expected to occur.

- There is a spatial legacy that, despite the massive increase in housing delivery, state investments are still uncoordinated and housing delivery is relegated to the periphery of towns and cities.
- Existing spatial planning instruments have not entirely succeeded to effectively guide public sector investments (including the Human Settlements Development Grant) and to achieve integrated settlement development.
- Government programmes continue to be planned and operated in silos and spatial priorities identified without proper spatial analysis and based on inaccurate or outdated information.

While the mandate around facilitating access to housing and service is largely vested in the State, and functions appropriated across the three spheres of government, the participation in the development arena - and specifically the residential / housing development – is, however, open to a wider array of able and willing parties in accordance with their defined goals and objectives. In this regard commercial, communal and philanthropic motives of parties outside the State must be acknowledged in relation to the housing and human settlements delivery value chain.

In response to the challenges mentioned above, the Department of Human Settlements is implementing the Priority Human Settlements and Housing Development Areas Programme. The Priority Human Settlements and Housing Development Areas Programme is a national spatial transformation approach to build new, integrated, functional and inclusive settlements. It draws on cooperative and collaborative public sector investments with a view to leveraging private investment towards achieving defined targets and objectives within a designated geographical area.

2. BACKGROUND

2.1. 2019 – 2024 Medium Term Strategic Framework (MTSF)

To contribute to the achievement of the national outcomes of “Spatial transformation through multi-programme integration in priority development areas” government, through the Department of Human Settlements planned to invest in and integrate spatial planning programmes in the 94 priority development areas by 2024. The Department also has a target to rezone 100% of land acquired during the 2014-2019 MTSF falling within the priority development areas by 2024.

2.2. Gazetting of PSHDA

In 20 May 2020, the then Minister of Human Settlements, Water and Sanitation, declared the **136 Priority Human Settlements and Housing Development Areas (PSHDAs)**, in line with Section 3 of the Housing Act (No.107 of 1997) read in conjunction with Section 7 (3) of the Housing Development Agency Act, 2008 (No.23 of 2008), the Spatial Planning and Land Use Management Act (No.23 of 2014).

2.3. Description of Priority Human Settlements and Housing Development Areas (PSHDAs)

The identification of the PSHDAs is underpinned by the principles of the National Development Plan 9NDP) and the allied objectives on the National Spatial Development Framework (NSDF) and the Integrated Urban Development Framework (IUDF).

The PSHDAs intends to advance Human Settlements Spatial Transformation and Consolidation by ensuring that the delivery of housing is used to restructure and revitalize towns and cities, strengthen the livelihood prospects of households and overcome apartheid spatial patterns by fostering integrated urban forms.

2.4. Opportunities of PSHDAs

The PSHDAs intend to support municipalities to prioritise housing development allocations in terms of SPLUMA thus directing housing finance to areas that promote inclusive residential markets instead of further segregating people by income, race, age, and gender.

The development plans for each of these prioritized spaces should include the type of transactional support required to transform the local economy and build an inclusive residential market.

2.5. Objectives of the PSHDAs

The programme aims to use the delivery of housing for a broad range of housing typologies within integrated mixed-use developments in the declared PSHDAs to address the following circumstances of priority:

- a) Areas of urgent housing need where there is an established high demand and low supply of housing opportunities;
- b) Areas requiring upgrading and/or redevelopment for purposes of delivering housing choices including subsidised housing; and
- c) Areas requiring improved access to infrastructure, amenities and services
- d) Areas that support the integration of different housing typologies, land uses and economic development.

The specific objectives of the PSHDAs are:

- To identify areas of human settlements investments by multiple public and non-public players;
- Align mandates of all spheres and sectors which have a strong spatial impact in the PSHDAs and promote maximum intergovernmental and multi-sectoral collaboration;
- To direct the necessary and available State resources to existing human settlements and to plan for the provision of new human settlements; and
- Assemble the capacity and development arrangements to ensure planning, project preparation and project management

Ultimately the impact must be spatial transformation of undesirable settlement patterns emanating from past practices and creation of new human settlements, to transform entrenched spatial patterns which have historically exacerbated social inequality and economic inefficiency, to revitalise, renew and redevelop area post-apartheid spatial legacy and to achieve a balance between spatial equity, economic competitiveness and environmental sustainability.

The PSHDA programme is informed by 7 pillars that will guide implementation. These pillars represent an aspect of the human settlement development delivery value chain.

The following are the pillars:

- 1) Declaration of the PSHDAs and development planning in terms of SPLUMA;
- 2) Land assembly;
- 3) Infrastructure and mobility;
- 4) Ecological infrastructure;
- 5) Economic development;
- 6) Spatially targeted funding; and
- 7) Implementation institutional arrangements.

3. EVALUATION PROPOSAL

3.1. Focus of the Evaluation

The PSHDAs were gazetted in 2020 and form part of the Human Settlements priorities for the 2019-2024 Medium Term Strategic Framework. That being said this area-based planning approach and implementation framework is new to the sector. Therefore the evaluation will focus on the design and implementation of the PSHDAs.

3.2. Design and Implementation Evaluation

This combination of design and implementation seeks to analyse the theory of change (ToC), the inner logic and consistency of the PSHDAs, using primary and secondary data/information that will be used to assess the quality of indicators that were set to monitor the performance of PSHDAs. It will also be useful in determining whether there are clear objectives set for the PSHDA during the design phase. In that way the relevance of the PSHDAs will be tested.

In order to test the quality of indicators contained in the PSHDAs and the efficiency and the effectiveness of the programme design, an implementation approach will be undertaken. This will evaluate whether operational mechanisms that are in place in the 3 spheres of government support the achievement of the PSHDAs objectives. This will assess the theory of change (ToC) components of the activities, outputs and outcomes as well as the use of resources and causal linkages. This will further assess the efficiencies in the steps in the implementation of the PSHDAs. Lastly the evaluation will produce an appropriate Theory of Change (ToC) for the PSHDAs to include quality indicators and propose relevant assumptions of the PSHDAs.

3.3. Objective of the Evaluation

The objective is to undertake a design and implementation evaluation of the PSHDAs in order to understand how the intervention is working and how its implementation can be strengthened. The outcomes of the evaluation will be achieved by:

- a) Assessing whether the areas that were prioritised for declaration as PSHDAs align with the objectives and purpose of the PSHDAs to accelerate spatial transformation;
- b) Assessing whether the theoretical framework that informs the PSHDAs programme provide an appropriate response to the human settlements challenges stated in paragraph 1 above;
- c) Test whether the PSHDAs programme is being implemented in accordance with the design of the intervention;
- d) Assess the institutional gaps and issues that prevail and/or emerge as the intervention is being implemented and how these are affecting the delivery of applicable Human Settlements Development Programmes;

- e) Assess whether the resources invested in the gazetted PSHDAs are used efficiently and whether there is value for money being obtained by this investment; and
- f) Identify indicators for the programme and assess whether these indicators are suitable for its stated purpose and how these are captured in M&E frameworks of the various spheres of government.

4. KEY EVALUATION QUESTIONS

- 4.1.** The Evaluation must respond to the following key questions:
 - 4.1.1. To what extent does the declared PHSDA align with the spatial transformation
 - 4.1.2. Does theoretical framework that informs the PHSDA provide an appropriate response to human settlements challenges?
 - 4.1.3. Is the PHSDA area based planning approach and implementation framework being implemented according to the design?
 - 4.1.4. What are the institutional issues/gaps that are coming to light as this programme is being implemented and how is it affecting delivery of the Human Settlements Programmes?
 - 4.1.5. Are resources used efficiently? Is value for money being obtained?
 - 4.1.6. Are the performance indicators for the PHSDA suitable for its stated purpose and how is it captured in the performance monitoring frameworks of the various spheres of government?
 - 4.1.7. To what extent does the declared PHSDHDAs align with the spatial transformation objectives of the programme.

5. EVALUATION DESIGN

- 5.1. The study will follow a mixed methods approach, involving both quantitative and qualitative methods, to assess the five (5) main aspects of the evaluation questions by engaging relevant published and grey literature (specific and general), legislation, policies, other government documents, and stakeholders internal and external to the programme. The (5) main aspects being the theoretical framework, programme/intervention design, institutional arrangements, resources efficiency and value for money, and monitoring and evaluation framework.

6. METHODOLOGY

The service provider must propose an appropriate method suitable to conduct the evaluation study. The service provider must consult the Department of Planning, Monitoring and Evaluation (DPME's) National Evaluation Policy Framework, 2019 and the National Evaluation Guidelines.

7. LITERATURE REVIEW

The purpose of the literature review is to establish conceptual framework that will contextualise the aspects of:

- a) PSHSDA programme, which must consist of a variety of topics that are relevant to the evaluation and the PSHSDAs ;
- b) Evaluation type that is suitable for PSHSDA: the service provider must elaborate on the understanding of the design and implementation evaluation study, area-based interventions, implementation frameworks, planning frameworks, legislations applicable to multi-programme interventions, as well as their catalytic effects in achieving wider society service delivery impacts;
- c) Suitable methodological approaches that may be adopted for conducting such evaluations.

8. SAMPLING METHODOLOGY

8.1. As part of the methodology, the service provider must propose a scientifically sound representative sampling method to ensure selection of relevant stakeholder to form part of the evaluation study sample. The entire population from which this sample must be drawn including the associated datasets is as follows:

- 8.1.1.1. 136 PSHSDAs (see paragraph 2.2 above)
- 8.1.1.2. 9 provinces
- 8.1.1.3. 8 metropolitan municipalities
- 8.1.1.4. 38 districts

9. SCOPE OF THE EVALUATION

9.1. The evaluation entails the following:

- 9.1.1. An analysis of literature, policy prescripts; records of decisions; legislative frameworks; strategic plans and annual performance plans; and business plans to determine whether the theoretical frameworks underpinning how the PHSHDAs provide an appropriate response to human settlements challenges. The output for this component is chapter in the literature review report.
- 9.1.2. An analysis of the institutional arrangements that are in place to govern the implementation of PHSHDAs in order to determine the effectiveness of these arrangements, the efficiency of the arrangements, and elevate any gaps which may exist in the system that requires improvements. The output for this component is a chapter in the literature review report.
- 9.1.3. An analysis of strategic and annual performance plans; business plans; quarterly and annual reports to determine how the programme has performed since inception. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and detailed findings report for this component.
- 9.1.4. An analysis of strategic and annual performance plans; business plans; service delivery and budget implementation plans (SDBIP); quarterly and annual reports to determine how the programme has performed since inception at the level of metropolitan municipalities. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and a detailed findings report for this component.
- 9.1.5. An analysis and profile of the types of outputs that the programme has produced since inception. These must be categorized according to how the outputs have addressed the human settlements development challenges in the institutions that implement PHSHDAs. The output for this component is an analysis of resources required to implement the PHSHDAs the gaps or shortages of these resources; reports on how these outputs have addressed the human settlements development challenges.
- 9.1.6. An analysis of any standard operating procedure that is in place that is aligned to the seven (7) pillars that guide the implementation of PHSHDAs. The output for this component is a chapter in the literature review; a chapter in the data collection exercise; and a detailed findings report for this component.

- 9.1.7. An analysis of the legislative prescripts for budgeting (Division of Revenue Bills); the Medium Term Budgetary and Expenditure Frameworks; the annual performance plans; the SDBIPs; the quarterly and annual reports of institutions in order to determine whether there is value for money in the implementation of PSHDAs as well as efficiency in the manner that the budgets were allocated. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and a detailed finding report for this component.
- 9.1.8. An analysis of the performance indicators of the PSHDAs programme to determine whether these are suitable for the stated purpose of the programme and how this is captured in the monitoring and evaluation (M&E) frameworks of the different institutions. An output for this exercise will result in a chapter that will review the theory of change (TOC) in the programme design to understand the inner logic of the programme. In the absence thereof this must result in the proposal of a TOC suitable for the programme in order to inform the M&E Framework.
- 9.1.9. A data validation exercise that will validate the collected data from the respondents that will confirm the final outcomes of the data collection exercise. The output of this is the data collection and data validation workshop.

10. DATA COLLECTION

- 10.1. The study will implement the following data collection activities:
 - 10.1.1. Analysis of the existing theories, concepts, and definitions relevant to the study;
 - 10.1.2. Analysis of the NDP, 2019/2024 MTSF, and Gazette
 - 10.1.3. Analysis of Business Plans prepared by provincial DHS since the inception of the programme;
 - 10.1.4. Analysis of SDBIPs prepared by metropolitan municipalities focusing on those that falls within the period since the programme was implemented;
 - 10.1.5. Analyse the APPs and Annual and Quarterly Reports since the inception of the programme; and
 - 10.1.6. Analyse other relevant policies and frameworks.
 - 10.1.7. analysis of statistical data on aspects relating to the prioritizing and spatial targeting of the areas as part of the design of the programme i.e demand for adequate housing; access to services; economic data etc)

11.PRODUCTS / DELIVERABLES EXPECTED FROM THE EVALUATION

- 11.1.** Phase 1: An Inception Report and Project Implementation Plan. The inception plan must provide an overview of how the service provider interprets the terms of reference and the main and the key evaluation questions; the scope of work and the evaluation design contained in the TORs. The project implementation plan must revise the schedule which must be supported by a detailed Gantt Chart with main activities, sub-activities, and the main deliverables.
- 11.2.** Literature review report containing the details outlined in 7 above.
- 11.3.** Case reports for all provinces
- 11.4.** Case reports for all Metropolitan Municipalities
- 11.5.** Comparative case study report which provides an analysis of the cases and responds to the broad evaluation questions in section 3, with an executive summary of about 5 pages;
- 11.6.** Data analysis report
- 11.7.** Data validation workshop
- 11.8.** Final evaluation report (including all datasets and metadata collected)
- 11.9.** A summary of the report (± 50 pages);
- 11.10.** PowerPoint presentation of the project design, findings and recommendations;
- 11.11.** It is expected that all outputs should be in a manner that shows a high degree of professionalism and good report writing skills;
- 11.12.** All documents must be language edited.
- 11.13.** The final reports should be submitted in three (3) Compact Disks and 3 bound copies printed in colour. The document should be written in 12 pts Arial, 1½ spacing, justified and in both PDF and MS Word formats. No branding of the service provider would be allowed in any of the documents submitted.
- 11.14.** All datasets pertaining to mapping must be delivered in a portable USB and hard copy file. The portable USB must contain file formats compatible with industry standard GIS platforms

12.PROJECT PLAN AND PAYMENT

12.1. Project plan

This project should be completed within 10 months or 42 weeks after the service provider has been appointed. The service provider is expected to develop a draft project plan which takes into consideration the following:

Table 1: Outline project plan

Activity	Who	By when
Service provider contract signed	Dept/Service provider (SP)	1 week after receiving Confirmation of appointment.
Inception meeting	Dept/Service provider (SP)	2 weeks after receiving Confirmation of appointment and signing of the Service Level Agreement (SLA).
Inception report and a revised comprehensive project plan	SP	2 week after signing the contract.
Literature Review Report and Field Work Plan	SP	4 weeks after the approval of the inception report.
Provincial Case Study Report	SP	4 weeks after the approval of the Literature Review Report.
Metropolitan Municipalities case study report	SP	4 Weeks after the approval of the Provincial Case Study Report.
Comparative Report		4 Weeks after the approval of the Metropolitan Municipalities' case study report.
60% data collection and submission of draft report	SP	12 weeks after the approval of the literature review report
100% data collection and submission of draft final report	SP	6 week after receiving the draft report
Inputs on the draft final report	Peer reviewers and steering committee	2 weeks after receiving draft final report.

Activity	Who	By when
Service provider contract signed	Dept/Service provider (SP)	1 week after receiving Confirmation of appointment.
Workshop with stakeholders to validate and discuss the findings and recommendations as outlined in the draft report	Dept and SP	1 week after receiving the draft evaluation report.
Submission of final report	SP	1 Week after receiving inputs.

12.2. Budget and payment schedule

Payment for the delivery of the work will be conducted in the following manner:

Deliverable	Proportion of total payment
Phase 1: Inception Report and Project Plan a) On submission and approval of the Inception Report and Project Plan	10%
Phase 2: Literature Review Report and data collection Plan a) On submission and approval of the Literature Review Report and Fieldwork Plan	30%
Phase 3: Draft Report V1 Containing: 60% Data collection	10%
Phase 4: Stakeholder validation workshop to discuss the draft evaluation report	10%
Phase 5: Draft Report V2 Containing: - results of validation exercise 100% data collection - Municipal case studies report - Provincial case study report - Comparative report	10%
Phase 6: Final Report: 100	30%

a) On submission and approval of a final report (full and in 1/3/25 format)as follows: • Report to have all sections of academic report such as executive summary, introduction, literature review, research methodology, statement and analysis of findings, conclusions and recommendations. Findings to be presented in tables and graphic forms for each of the test items • A summary report in both PDF and MS Word • An overall report with an executive summary 1.3 • Electronic presentation of the project • The report should be in three compact disks, 3 bound copies printed in colour (no service provider branding) All reports should be language edited b). Provision of all datasets, metadata and survey documentation (including interviews) when data is collected. c) All datasets pertaining to mapping must be delivered in a portable USB and hard copy file. The portable USB must contain file formats compatible with industry standard GIS platforms.	
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13.MANAGEMENT ARRANGEMENTS

13.1. Management

- 13.1.1. The National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS) will manage the project jointly.
- 13.1.2. The service provider will be expected to present the inception report, draft report and final report for comments and inputs to the evaluation steering committee, which comprise of NDHS, DPME and relevant stakeholders. Further, to present the draft report at the stakeholder validation workshop.
- 13.1.3. All communication between the Service Provider and the Department shall be made through the project manager at the NDHS.

13.2. Reporting arrangements

- 13.2.1. Monthly progress report should be submitted to the Project Manager in the NDHS indicating the key developments in the time period reported on, future activity schedule, and obstacle if any that are being encountered together with the suggested solutions to

- the challenges.
- 13.2.2. It would be expected that any urgent matters that affect the service provider's ability to meet the deadlines should be brought to the attention of the Project Manager immediately.

14. EXPECTATIONS OF THE SERVICE PROVIDER

14.1. Qualification Criteria

- 14.1.1. Socio-economic, historic and political landscape of South Africa
- 14.1.2. Economics, social sciences, Geographical Information Systems (GIS), Urban and Regional Planning, and Human Settlements related field
- 14.1.3. A good knowledge of evaluation methodologies, and experience in applying them. This would be required in relation to
 - 14.1.3.1. Case Study research
 - 14.1.3.2. Quantitative and qualitative research
 - 14.1.3.3. Policy and programme analysis and policy and programme evaluation
 - 14.1.3.4. Strong project management skills, including field coordination and implementation where needed;
 - 14.1.3.5. Knowledge of and exposure to international good practice would be an advantage, particularly in middle-income and African countries.

15. PROPOSAL EVALUATION CRITERIA

- 15.1. The evaluation of the proposals submitted to the Department will follow a two-step process. In the first step, all proposals will be evaluated on functionalities and capabilities. In the second step, only qualifying proposals will be evaluated on the 80/20 preference point system.
- 15.2. The proposal should contain a description of how the report will be organised and which components it will contain.
- 15.3. The functionalities and capabilities will be evaluated as follows:

Criteria	Sub Criteria	Sub points	Total points
Team expertise ¹	Team consisting of a combination of skills including Social Scientists, Economists, Geographical Information System (GIS) Specialist, Urban and Regional Planner, and professionals in the Built Environment at Masters Level and above	15	15
	Team consisting of a combination of skills including Social Scientists, Economists, Geographical Information System (GIS) Specialist, Urban and Regional Planner, and professionals in the Built Environment at Honours Level and above	10	
	Team consisting of a combination of skills including Social Scientists, Economists, and professionals in the Built Environment only at Degree Level	7	
Experience of the team leader in social/ economic and human settlements research	Years in the field: 10 and more years' experience	25	25
	From six (6) to nine (9) years of experience	20	
	From three (3) to five (5) years' experience	10	
Delivery of similar assignments ²	Delivery of 10 or more similar assignments	10	10
	Delivery from seven (7) to nine (9) similar assignments	7	
	Delivery from four (4) to six (6) similar assignments	4	
	Delivery from two (2) to three (3) similar assignments	1	

¹ Please attach curriculum vitae of the team members

²Please provide a list of projects, stating the name of the client and contact person for reference

Criteria	Sub Criteria	Sub points	Total points
Understanding of the scope of work	Detailed and logical project proposal with clear and empirical methodology to be followed to respond to the scope of work based on demonstrated significant use of existing relevant literature	25	35
	Project plan with milestones and timeframes	10	
Resource capacity to carry out the project	Outline of project team members, respective skills and areas of responsibilities during the duration of the project	10	15
	Demonstrated skills and expertise (outline analytical, technical evaluation methodologies and research skills)	5	
Overall total			100

15.4. A service provider who submits a proposal that scores less than 70 out of 100 points would be considered having submitted a non-responsive proposal and will be disqualified.

15.5. **The Department reserves the right to shortlist an acceptable number of candidates who might be requested to make a presentation before appointing a service provider based on the above criteria.**

15.6. No service provider is allowed to score themselves on the submitted documents.

16.COMPULSORY INFORMATION SESSION

The National Department of Human Settlements will conduct a **VIRTUAL BRIEFING SESSION** which will be compulsory to all Prospective Bidders.

Details of the briefing session are as follows:

DATE: 01 June 2023
VENUE: Virtual meeting

Microsoft Teams
TIME: 10h00

17.GENERAL CONDITIONS

- 17.1. The tender will be valid for a period of 90 days. The prices quoted in the tender remain applicable unless and until the national DHS is notified to the contrary by the service provider;
- 17.2. The service provider must furnish the following information as comprehensively as possible:
- Full details of the service provider
 - head office address and email
 - telephone and fax numbers
 - level of technical competency
 - company profile
 - full details of the individuals to be involved, their expertise, track record and roles in the assignment;
 - A detailed cost breakdown of the tender prices. Preference will be given to fixed price contracts linked to clearly identifiable deliverables;
 - clearly defined milestones, correlating to the sections outlined in this invitation; and
 - A detailed explanation of the process to be followed to provide the required service.
- 17.3. The successful service provider would be expected to submit a detailed project proposal indicating methodologies to be employed and work break down schedule, which will be presented to the National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS) within twenty one (21) days after appointment.
- 17.4. The successful service provider would be expected to sign a service level agreement; both the service level agreement and the terms of reference will be equally binding in the administration and management of the project.

18. COPYRIGHT

- 18.1. The copyright of all data collected and the final report to be delivered by the service provider will rest with the National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS);
- 18.2. The service provider will not publish (including presentation to conferences and all other forums), whether in part or whole, the submitted report without the written permission of the DHS.
- 18.3. A contract for this project will only be awarded on the condition that all information, reports and plans, both print and electronic, as well as the system that may have been designed specifically for this project, in whatever format, will belong to the National Department of Human Settlements. None of the information can be used without the express permission of the NDoHS. To this effect, the service-provider appointed will be required to sign a confidentiality agreement.

19. ENQUIRIES

Written enquiries regarding the TOR should be directed to:

tendersenquiries@DHS.gov.za

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	VA49/02-2023/24	CLOSING DATE: 12/06/2023	CLOSING TIME:	11:00	
DESCRIPTION	PROFESSIONAL SERVICE				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,					
DR RUTH MOMPATI BUILDING					
260 JUSTICE MAHOMED STREET,					
SUNNYSIDE, PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	MR. M. KWINANA		CONTACT PERSON		
TELEPHONE NUMBER	012 444 9245		TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Mluleki.kwinana@dhs.gov.za		E-MAIL ADDRESS		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE; OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: VA49/02-2023/24
CLOSING TIME 11:00	CLOSING DATE: 12/06/2023

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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VA49/02-2023/24: THE APPOINTMENT OF A SERVICE PROVIDER FOR DESIGN AND IMPLEMENTATION EVALUATION OF THE PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS (PHSHDAs)

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate **a ceiling price** based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

R.....

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

	R.....	
	R.....	
	R.....	
	R.....	
	R.....	

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

	R.....	 days
	R.....	 days
	R.....	 days
	R.....	 days

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

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

TOTAL: R.....

Name of Bidder:

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

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

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

6. Period required for commencement with project after acceptance of bid
 7. Estimated man-days for completion of project
 8. Are the rates quoted firm for the full period of contract? *YES/NO
 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 260 JUSTICE MAHOMED STREET, DR RUTH MOMPATI HOUSE, SUNNYSIDE, PRETORIA, 0002

for technical information: tendersenquiries@DHS.gov.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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 **80/20** preference point system.

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	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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:

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$		

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:

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

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)
Women		10		
Youth		08		
People with Disabilities		02		

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



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.

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts
 - 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
 - (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
- 15. Warranty
 - 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
 - 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
 - 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
 - 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
 - 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

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

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| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

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

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

may be due to him

**25. Force
Majeure**

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

**28. Limitation of
liability**

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

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