

INTERNAL AUDIT SERVICES

REQUEST FOR QUOTATIONS: RFQ 2/2022

1. Purpose

Amazwi South African Museum of Literature invites quotations from service providers registered on the Central Supplier Database (CSD) for the provision of internal audit services for a period of one year (twelve months), with the option to renew for another 12 months thereafter, subject to satisfactory performance.

2. Legislative and policy mandate

Amazwi South African Museum of Literature is established in terms of the Cultural Institutions Act, Act No. 119 of 1998, as amended, and operates under the jurisdiction of a Council appointed by the Minister of Sport, Arts and Culture. It is a schedule 3A national public entity in terms of the Public Finance Management Act, Act No. 1 of 1999, as amended.

3. Internal audit roles and objectives

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve Amazwi operations.

The objective of internal audit is to assist Amazwi to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, controls and governance processes. The primary role of the internal audit function is to assist management in the effective discharge of their responsibilities, furnishing them with analysis, appraisals, recommendations and information concerning Amazwi activities that were reviewed.

4. Scope of work

The successful service provider will be expected to perform the internal audit activities in line with the requirements of the PFMA and National Treasury Regulations, and the approved Internal Audit Charter, which states that the internal audit function (has the responsibility to, amongst other things:

- Develop a three-year rolling strategic internal audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit & Risk Committee for review and approval;
- Prepare a detailed annual audit plan together with the scope, to be presented to the Audit & Risk Committee; an agency of the Department of Sport, Arts and Culture
- Implement the annual audit plan, in line with the Institute of Internal Audit Standards;
- ICT audit;
- Report on the internal audit activity to the Audit & Risk Committee on a quarterly basis;

- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of the Internal Audit Charter;
- Keep the Audit & Risk Committee informed of emerging trends and successful practices in internal auditing;
- Facilitate risk management workshops between Council committees and management;
- Assist in the investigation of significant suspected fraudulent activities;
- Drive Combined Assurance with governance service providers including the Auditor General; and
- Perform ad hoc requests as and when required.

5. Timing of assignments

The performance of each assignment shall be in accordance with the internal audit plan approved by the Audit & Risk Committee (aligned to the strategic and operational risk registers). Changes to the timing of audits must be agreed with the Director and communicated to the Audit & Risk Committee at its quarterly meetings.

6. Quality assurance of reviews

The service provider shall ensure that all work conforms to the Standards for the Professional Practice of Internal Auditing. Such work shall further be subject to external quality assurance in line with the internal audit standards at its own cost.

7. Pricing

Pricing must be quoted in terms of 750 hours, rates per team member and Rand value reflecting amount including VAT. Disbursements to be included in the pricing.

All team members must belong to IIA and relevant professional bodies, at least one team member should be a qualified CIA.

8. Bidding document and Terms and Conditions

In addition to the standard bidding documents specified in the Terms and Conditions on the last page, all quotations must include the following information:

Company profile	Include names of directors/managing partners, qualifications and professional body registrations
Public sector experience	Specify
Location of offices	If not Makhanda, specify rates for travel and subsistence
Pricing	As above

Closing date for quotations submission	25 October 2022
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9. Supply Chain Management enquiries

Supply Chain Officer	Ms Lumka Majavu	l.majavu@amazwi.museum
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10. General enquiries

Director	Ms Beverley Thomas	b.thomas@amazwi.museum
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TERMS AND CONDITIONS
<p>1. All costs and expenses incurred by potential service providers relating to their proposals will be borne by the respective service providers. Amazwi is not liable to pay such costs and expenses or to reimburse or compensate service providers under any circumstances, including the rejection of any proposal or the cancellation of this project.</p> <p>2. Amazwi reserves the right to request new or additional information regarding any individual or other persons associated with proposals.</p> <p>3. Amazwi may require responsive service providers to present and discuss their proposals in person.</p> <p>4. Amazwi reserves the right not to make any appointment from the proposals submitted.</p> <p>5. Potential service providers may not issue any press release or other public announcement pertaining to details of their project proposal without the prior written approval of Amazwi.</p> <p>6. Potential service providers are required to declare any conflicts of interest they may have in the transaction for which the bid is submitted or any potential conflicts of interest. It is important that potential service providers declare their conflicts of interest through completion of the relevant forms.</p> <p>7. Amazwi reserves the right not to consider any proposal where such a conflict of interest exists or where such potential conflict of interest may arise.</p> <p>8. Any and all project proposals shall become the property of Amazwi and shall not be returned.</p> <p>9. Proposals should be valid and open for acceptance by Amazwi for a period of 120 days from the date of submission.</p> <p>10. In addition to adherence to the specific terms and conditions of proposals provided in this document, the bidder shall be bound by the provisions of the General Conditions of Contract attached hereto, an original signed copy of which must be submitted together with all other bid documentation.</p>

11. All returnable documents must be completed in full and submitted together with the quotation. Should all the returnable documents not be completed, the proposal will not be considered.
12. The successful service provider will be subject to supplier clearance processes as prescribed by the National Treasury. This process includes verification of the supplier and its shareholders/directors/members' status on the list of defaulters and restricted suppliers.
13. The proposal must include a company or organisation profile, comprising a description of the organisation, its primary business activity, clients' experience, management etc, including at least three references from companies to whom it has supplied the same service.
14. After the successful service provider has received the purchase order, they must be able to deliver in full compliance with South African approved standards and in compliance to the specifications provided.
15. The successful service provider will be accountable to the Audit and Risk Committee of Amazwi for the fulfilment of its functions.

RETURNABLE STANDARD BIDDING DOCUMENTS

(See http://ocpo.treasury.gov.za/Buyers_Area/Pages/Standard-Bidding-Forms.aspx)

- SBD 1 Invitation to BID
- SBD 2 Tax Clearance Requirements
- SBD 3 Pricing Schedule
- SBD 4 Declaration of Interests form
- SBD 6.1 Preference points claim form (valid BBBEE certificate must be submitted together with this completed document)
- SBD 7.2 Contract Form (Rendering Services)
- SBD 8 Declaration of Bidder's Past Supply Chain Management Practices
- SBD 9 Certificate of Independent Bid Determination
- General Conditions of Contract

NB: Failure to submit completed returnable forms as mentioned above may disqualify a proposal

11. FUNCTIONALITY

RFQs will be evaluated based on the 80/20 preference point system in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and 2017 Regulations thereto.

PRELIMINARY EVALUATION CRITERIA ON QUALITY/ FUNCTIONALITY

Quality criteria	Maximum no of points
1. Internal audit approach	30
<p>The bidder's approach to perform an internal audit, including internal audit methodology and Quality Assurance processes.</p> <p>Signed Letter of undertaking from the bidder to confirm that the bidder adopts a quality assurance improvement programme as per the International Standards for the Professional Practice of Internal Auditing.</p> <p>30 = all the expectations are met</p> <p>20 = the response meets at least 70% of the expectations -</p> <p>10 = the response meets at least 50% of the expectations -</p> <p>0 = the response meets less than 50% of the expectations.</p>	
2. Internal audit experience	30
<p>The bidders internal audit services experience in the public sector, including specialised skills, expertise and value-added services. To demonstrate knowledge and experience, the bidder must submit a minimum of three (3) client references where the bidder has successfully concluded internal audit work within the public sector in terms of scope and complexity in the past five (5) years.</p> <p>Assessment of the condensed curricula vitae of personnel who will be assigned to the Amazwi account. (Qualification and experiences of proposed resources). –</p> <p>30 = all the expectations are met</p> <p>20 = the response meets at least 70% of the expectations -</p> <p>10 = the response meets at least 50% of the expectations -</p> <p>0 = the response meets less than 50% of the expectations.</p>	

3. Team Member's Internal Audit experience	
<p>Assessment of the condensed curricula vitae of personnel who will be assigned to the Amazwi account. (Qualification and experiences of proposed resources). –</p> <p>30 = all the expectations are met</p> <p>20 = the response meets at least 70% of the expectations -</p> <p>10 = the response meets at least 50% of the expectations -</p> <p>0 = the response meets less than 50% of the expectations.</p>	
4. Professional membership	10
<p>The bidder and its directors must submit evidence of its and their registration with a relevant professional body (latest proof of current annual IIA and any other professional body registrations).</p> <p>At least one team member should have a CIA qualification.</p> <p>The IIA and CIA = 10 points</p> <p>No CIA qualification = 0 points</p>	
Total points	100

N.B: Bidders will be evaluated on 70% functionality and 30% on price.

12. PRICING SCHEDULE

Provision of Internal Audit Services for a period of one year (twelve months), with the option to renew for another 12 months thereafter, subject to satisfactory performance.

Note: Any anticipated disbursement costs to be included in the pricing.

ITEM	DESCRIPTION	No. of Team Members	Rate per Team member	Amount
1	Project Costs – 750 hours			
2	Disbursements			
	Vat 15%			
	TOTAL AMOUNT OF TENDER	750 hours		

SBD1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF AMAZWI SOUTH AFRICAN MUSEUM OF LITERATURE					
BID NUMBER:	RFQ 2/2022	CLOSING DATE:	25 October 2022	CLOSING TIME:	12:00
ISSUE DATE:	18 October 2022				
DESCRIPTION	Provision of Internal Audit Services for a period of one year (twelve months), with the option to renew for another 12 months thereafter, subject to satisfactory performance.				
BID RESPONSE DOCUMENTS SHALL BE ADDRESSED AS FOLLOWS:					
Emailed to: Technical: b.thomas@amazwi.museum SCM: scm@amazwi.museum / l.majavu@amazwi.museum					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO					
CONTACT PERSON	Lumka Majavu				
TELEPHONE NUMBER	046 622 7042				
E-MAIL ADDRESS	SCM: scm@amazwi.museum				
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA.....
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

2.1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	2.2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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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. RFQ DOCUMENTS MAY BE COLLECTED AT AMAZWI SOUTH AFRICAN MUSEUM OF LITERATURE, 25A WORCESTER STREET MAKHANDA (formerly Grahamstown) ON THE 07 FEBRUARY 2022 NOT LATER THAN 12:00HRS ON WORKING DAYS BETWEEN 07:30 AND 16:30 (MONDAY TO FRIDAY).
- 1.2. BIDS MUST BE SUBMITTED IN THE TENDER BOX AT **AMAZWI SOUTH AFRICAN MUSEUM OF LITERATURE, 25A WORCESTER STREET MAKHANDA (formerly Grahamstown) ON THE 25 October 2022 NOT LATER THAN 12:00HRS.** TELEPHONIC, FACSIMILE, ELECTRONIC AND LATE TENDERS WILL NOT BE ACCEPTED.
- 1.3. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.4. **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.”

SBD 3.3

**PRICING SCHEDULE
 (Professional Services)**

NAME OF BIDDER: RFQ NO.:

CLOSING TIME 12:00

CLOSING DATE: 25 October 2022

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.

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

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

4. PERSON AND POSITION	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 airtravel, 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.....			

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

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

DESCRIPTION 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 –
 Amazwi South African Museum of Literature
 25a Worcester Street
 Grahamstown
[Tel: 046 622 7042](tel:0466227042)

Or for technical information –

Ms Beverly Thomas
 Tel: 046 622 7042

SBD 4

DECLARATION OF INTEREST AND BIDDER'S PAST SUPPLY MANAGEMENT PRACTICES

Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

1. Full Name of bidder or his or her representative:
2. Identity Number:.....
3. Position occupied in the Company (director, trustee, shareholder², member)
4. Registration number of company, enterprise, close corporation, partnership agreement or trust
5. Tax Reference Number:
6. VAT Registration Number:

The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial museum, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

2"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

1. Are you or any person connected with the bidder presently employed by the state **YES / NO**

1.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

.....

Name of state institution at which you or the person connected to the bidder is employed:

.....

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2. If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.1.1 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

- | | | |
|-------|--|----------|
| 2.2 | Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? | YES / NO |
| 2.2.1 | If so, furnish particulars:
.....
.....
..... | |
| | a. Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? | YES / NO |
| 2.3.1 | If so, furnish particulars.
.....
.....
..... | |
| 2.4 | Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? | YES/NO |
| 2.4.1 | If so, furnish particulars.
.....
.....
..... | |
| 2.5 | Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? | YES/NO |
| 2.5.1 | If so, furnish particulars:
.....
.....
..... | |

3. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Personal Number

4. DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS
 DECLARATION PROVE TO BE FALSE.

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of bidder

SBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated to be less than fifty million R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

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

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

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

- (i) “QSE” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad Based Black Economic Empowerment Act;
- (j) “rand value” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

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

1. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

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

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18

3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

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

2. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

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

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

3. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?.....%
- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME or QSE?
 (Tick applicable box)

YES		NO	
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(v) specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017;

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm

8.2 VAT registration number

8.3 Company registration number

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

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

WITNESSES:

1.

2.

.....
SIGNATURE OF BIDDER(S)

DATE:.....

ADDRESS:.....

.....

SBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number: **RFQ 2/2022** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract and
 - (ii) General Conditions of Contract.
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

WITNESSES

1

2

6. I confirm that I am duly authorized to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

SBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

- I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
- An official order indicating service delivery instructions is forthcoming.
- I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE LEVEL OF CONTRIBUTION	STATUS OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT ON THIS DAY
NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

This Standard Bidding Document must form part of all bids invited.

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of Bidder

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

25A WORCESTER STREET | Makhanda Grahamstown
| Private Bag 1019 Makhanda Grahamstown 6140
THE EASTERN STAR | Makhanda Grahamstown
SCHREINER HOUSE | Cradock



an agency of the
Department of Sport, Arts and
Culture

.....

Signature

.....

Position

.....

Date

.....

Name of Bidder

GENERAL CONDITIONS OF CONTRACT

1. DEFINITIONS

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 Department and the bidder, 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 bidder 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 anything 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 bidder 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 bidder and not involving the bidder's fault or negligence and not foreseeable.
Such events may include, but is not restricted to, acts of the Department 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 bidder is required to supply to the Department 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 bidder 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 labor, 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 "Department" 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 bidder 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 Department 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 bidder 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 Department in connection therewith, to any person other than a person employed by the bidder in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

- 5.2 The bidder shall not, without the Department'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 Department and shall be returned (all copies) to the Department on completion of the bidder's performance under the contract if so required by the Department.
- 5.4 The bidder shall permit the Department to inspect the bidder's records relating to the performance of the bidder and to have them audited by auditors appointed by the Department, if so required by the Department.

6. PATENT RIGHTS

- 6.1 The bidder shall indemnify the Department 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 Department.

7. PERFORMANCE SECURITY

- 7.1 10% of the contract value will be kept as compensation to Employer for any loss resulting from the Bidder's failure to complete his/ her obligations under the contract.
- 7.2 The performance security will be paid to the Bidder as part of the final payment certificate after the Department has sanctioned the works have been performed in terms of specification and to the full satisfaction of the Department, with all hand- over material and/ or documentation signed by all parties involved in this contract.
- 7.3 The performance security will be discharged by the Department and returned to the Bidder not later than thirty (30) days following the date of completion of the Bidder's performance obligations under the contract, including any warranty obligations..

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 Department 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 GCC 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 Department.
- 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 bidder.
- 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 bidder 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 bidders cost and risk. Should the bidder fail to provide the substitute supplies forthwith, the Department may, without giving the bidder further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the bidder.
- 8.8 The provisions of GCC clauses 8.4 to 8.7 shall not prejudice the right of the Department 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 bidder 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.

- 9.1 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 any subsequent instructions ordered by the Department.

10. DELIVERY AND DOCUMENTS

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

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.

12. TRANSPORTATION, STORAGE AND DELIVERY

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

13. INCIDENTAL SERVICES

- 13.1 The bidder may be required to provide any or all of the following services, including additional services, if any.
- (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 bidder of any warranty obligations under this contract; and
- (e) Training of the Department's personnel, at the bidder'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 bidder 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 bidder for similar services.

14. SPARE PARTS

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

- (a) such spare parts as the Department may elect to purchase from the bidder, provided that this election shall not relieve the bidder 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 Department of the pending termination, in sufficient time to permit the Department to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the Department, the blueprints, drawings, and specifications of the spare parts, if requested.

15. WARRANTY

15.1 The bidder 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 bidder 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 bidder, 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.
- 15.3 The Department shall promptly notify the bidder in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the bidder shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the Department.
- 15.5 If the bidder, having been notified, fails to remedy the defect(s) within the period specified, the Department may proceed to take such remedial action as may be necessary, at the bidder's risk and expense and without prejudice to any other rights which the Department may have against the bidder under the contract.

16. PAYMENT

- 16.1 The method and conditions of payment to be made to the bidder under this contract shall be specified.
- 16.2 The bidder shall furnish the Department 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 Department, but in no case later than thirty (30) days after submission of an invoice or claim by the bidder.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

17. PRICES

- 17.1 Prices charged by the bidder for goods delivered and services performed under the contract shall not vary from the prices quoted by the bidder in his bid, with the exception of any price adjustments authorized or in the Department'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 bidder shall not assign, in whole or in part, its obligations to perform under the contract, except with the Department's prior written consent.

20. SUBCONTRACTS

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

21. DELAYS IN THE BIDDER'S PERFORMANCE

- 21.1 Delivery of the goods and performance of services shall be made by the bidder in accordance with the time schedule prescribed by the Department in the contract.
- 21.2 If at any time during performance of the contract, the bidder or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the bidder 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 bidder's notice, the Department shall evaluate the situation and may at his discretion extend the bidder'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 bidder's point of supply is not situated at or near the place where the supplies are required, or the bidder's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the bidder in the performance of its delivery obligations shall render the bidder 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 Department 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 bidder'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 bidder.

22. PENALTIES

- 22.1 Subject to GCC Clause 25, if the bidder fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Department 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 Department may also consider termination of the contract pursuant to GCC Clause 23.

23. TERMINATION FOR DEFAULT

- 23.1 The Department, without prejudice to any other remedy for breach of contract, by written notice of default sent to the bidder, may terminate this contract in whole or in part:
- (a) if the bidder fails to deliver any or all of the goods/ services within the period(s) specified in the contract, or within any extension thereof granted by the Department pursuant to GCC Clause 21.2;
 - (b) if the Bidder fails to perform any other obligation(s) under the contract; or
 - (c) if the bidder, in the judgment of the Department, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the Department terminates the contract in whole or in part, the Department may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the bidder shall be liable to the Department

for any excess costs for such similar goods, works or services. However, the bidder shall continue performance of the contract to the extent not terminated.

24. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS

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

25. FORCE MAJEURE

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the bidder 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 bidder shall promptly notify the Department in writing of such condition and the cause thereof. Unless otherwise directed by the Department in writing, the bidder 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 Department may at any time terminate the contract by giving written notice to the bidder if the bidder becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the bidder, 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.

27. SETTLEMENT OF DISPUTES

- 27.1 If any dispute or difference of any kind whatsoever arises between the Department and the bidder 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 Department or the bidder 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.
- 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 Department shall pay the bidder any monies due the bidder.

28. LIMITATION OF LIABILITY

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the bidder shall not be liable to the Department, 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 bidder to pay penalties and/or damages to the Department; and
 - (b) The aggregate liability of the bidder to the Department, 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.

31. NOTICES

31.1 Every written acceptance of a bid shall be posted to the bidder 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 bidder shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Department's country.

32.2 A local bidder shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Department.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. NATIONAL INDUSTRIAL PARTICIPATION (NIP) PROGRAMME

33.1 The NIP programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. PROHIBITION OF RESTRICTIVE PRACTICES

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by 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 a collusive bidding (or bid rigging).
- 34.2 If a bidder / s or contractor / s based on reasonable grounds or evidence obtained by the Department, has / have engaged in the restrictive practice referred to above, the Department may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Commission 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 Department 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.