



YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF LOCAL GOVERNMENT

| BID DOCUMENTS OBTAINABLE FROM | ADMINISTRATIVE ENQUIRIES | SPECIFICATION ENQUIRIES |
|---|---|---|
| Ms. C. Johnson (lg.finance@westerncape.gov.za) | Mr. S. Bassadien (lg.finance@westerncape.gov.za) | Mr. A. Seale (lg.finance@westerncape.gov.za) |
| ADVERTISEMENT DATE | CLOSING DATE AND TIME | VALIDITY PERIOD |
| 18 October 2023 | 24 November 2023 @ 11h00 | 120 days |

Bid Number: LG-03 2023-2024

**APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL
MANAGEMENT SERVICES TO THE DEPARTMENT OF LOCAL GOVERNMENT FOR A PERIOD
OF 2 YEARS WITH THE OPTION TO EXTEND FOR A FURTHER 12 MONTH PERIOD.**

Bid documents must be deposited on or before the closing time: The bid box is open 24 hours a day, 7 days a week. The onus is on the Bidder to ensure that the bid is deposited in the correct tender box on or before the closing date and time. The blue tender box clearly marked "Local Government" is situated in the foyer / passage of 80, St Georges Mall, Waldorf Building, Cape Town 8000.

Physical Address
Department of Local Government
Ground Floor , 80 St Georges Mall
Waldorf Building
Cape Town, 8000

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration. No Telegraphic, telex, facsimile or e-mailed bids will be accepted.

ALL BIDS MUST BE SUBMITTED IN A CLEARLY MARKED ENVELOPE WITH THE BIDDERS ADDRESS DETAILS ON THE BACK. ALL BIDS MUST BE ON THE OFFICIAL FORMS (NOT TO BE RE-TYPED) OR SEPARATED. FAILURE TO ADHERE TO THESE INSTRUCTIONS MAY RESULT IN THE BID BEING DISQUALIFIED.

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (WCBD 7.1) AND / SERVICE LEVEL AGREEMENT IF APPLICABLE.


CHAIRPERSON: BID SPECIFICATION COMMITTEE

DATE: 18/10/2023


HEAD: SUPPLY CHAIN MANAGEMENT

DATE: 18.10.2023

PART A INVITATION TO BID

ZERO-TOLERANCE TO FRAUD, THEFT AND CORRUPTION (ANTI-FRAUD, THEFT AND CORRUPTION)

THE WCG IS COMMITTED TO GOVERN ETHICALLY AND TO COMPLY FULLY WITH ANTI-FRAUD, THEFT AND CORRUPTION LAWS AND TO CONTINUOUSLY CONDUCT ITSELF WITH INTEGRITY AND WITH PROPER REGARD FOR ETHICAL PRACTICES.

THE WCG HAS A ZERO TOLERANCE APPROACH TO ACTS OF FRAUD, THEFT AND CORRUPTION BY ITS OFFICIALS AND ANY SERVICE PROVIDER CONDUCTING BUSINESS WITH THE WCG.

THE WCG EXPECTS ALL ITS OFFICIALS AND ANYONE ACTING ON ITS BEHALF TO COMPLY WITH THESE PRINCIPLES TO ACT IN THE BEST INTEREST OF THE WCG AND THE PUBLIC AT ALL TIMES.

THE WCG IS COMMITTED TO PROTECTING PUBLIC REVENUE, EXPENDITURE, ASSETS AND REPUTATION FROM ANY ATTEMPT BY ANY PERSON TO GAIN FINANCIAL OR OTHER BENEFIT IN AN UNLAWFUL, DISHONEST OR UNETHICAL MANNER.

INCIDENTS AND SUSPICIOUS ACTIVITIES WILL BE THOROUGHLY INVESTIGATED AND WHERE CRIMINAL ACTIVITY IS CONFIRMED, RESPONSIBLE PARTIES WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE WESTERN CAPE DEPARTMENT OF LOCAL GOVERNMENT

| | | | | | |
|-------------|-----------------|---------------|------------------|---------------|----------|
| BID NUMBER: | LG-03 2023-2024 | CLOSING DATE: | 24 NOVEMBER 2023 | CLOSING TIME: | 11:00 AM |
|-------------|-----------------|---------------|------------------|---------------|----------|

| | |
|-------------|---|
| DESCRIPTION | APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL MANAGEMENT SERVICES TO THE DEPARTMENT OF LOCAL GOVERNMENT FOR A PERIOD OF 2 YEARS WITH THE OPTION TO EXTEND FOR A FURTHER 12 MONTH PERIOD. |
|-------------|---|

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:

DEPARTMENT OF LOCAL GOVERNMENT

BLUE TENDER BOX CLEARLY MARKED "LOCAL GOVERNMENT"

SITUATED IN THE FOYER / PASSAGE, GROUND FLOOR, 80 ST GEORGES MALL, WALDORF BUILDING, CAPE TOWN, 8000

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

CONTACT PERSON: MR S BASSADIEN / MS C JOHNSON

TELEPHONE NUMBER: N/A

FACSIMILE NUMBER: N/A

E-MAIL ADDRESS: LG.FINANCE@WESTERNCAPE.GOV.ZA

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

CONTACT PERSON: MR A SEALE

TELEPHONE NUMBER: N/A

FACSIMILE NUMBER: N/A

E-MAIL ADDRESS: LG.FINANCE@WESTERNCAPE.GOV.ZA

SUPPLIER INFORMATION

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

CODE

NUMBER

CELLPHONE NUMBER

FACSIMILE NUMBER

CODE

NUMBER

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

SUPPLIER COMPLIANCE STATUS

TAX COMPLIANCE SYSTEM PIN:

AND

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

IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACREDITATION SYSTEM (SANAS)

[TICK APPLICABLE BOX]

☐ Yes

☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED 6.1 IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

| | | | |
|---|--|--|--|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/ SERVICES/ WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | 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] |
|---|--|--|--|

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

| | |
|---|--|
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 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: |
| <p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>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.</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (WCBD7).</p> |
| 2. TAX COMPLIANCE REQUIREMENTS |
| <p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE WITH TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE AND CSD NUMBER AS MENTIONED IN 2.3 ABOVE.</p> <p>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.</p> <p>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."</p> |
| 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:

.....

PROVINCIAL GOVERNMENT OF WESTERN CAPE

DEPARTMENT OF LOCAL GOVERNMENT

Bid Number: LG-03 2023-2024

APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL
MANAGEMENT SERVICES TO THE DEPARTMENT OF LOCAL GOVERNMENT FOR A PERIOD
OF 2 YEARS WITH THE OPTION TO EXTEND FOR A FURTHER 12 MONTH PERIOD.

| ANNEXURE REFERENCE | TENDER DOCUMENT NAME | RETURNABLE DOCUMENT (INDICATE PAGE NUMBER) |
|---|--|---|
| A | INVITATION TO BID (WCBD 1) - & PROOF OF AUTHORITY | |
| B | PRICING SCHEDULE (WCBD 3.1). | |
| C | CONSOLIDATED DECLARATION OF INTEREST, BIDDER'S PAST SUPPLY CHAIN PRACTICES AND INDEPENDENT BID DETERMINATION (WCBD 4). | |
| D | PREFERENCE POINTS CLAIM FORM (WCBD 6.1). | |
| E | IATA LICENCE / CERTIFICATE | |
| F | REQUIRED DOCUMENTS (AS PER TABLE ON PAGE 21-22 OF THE TERMS OF REFERENCE). | |
| G | TERMS OF REFERENCE. | |
| H | B-BBEE CERTIFICATE. | |
| I | PROVIDE THE MAAA CENTRAL SUPPLIER DATABASE (CSD) REPORT AND OR MAAA NUMBER. | |
| PLEASE ENSURE THAT ALL OTHER RELEVANT SUPPORTING DOCUMENTS AS PER THE TERMS OF REFERENCE AND PRICING SCHEDULE (WCBD 3.1) ARE CLEARLY LABELLED AND INCLUDED IN YOUR PROPOSAL. | | |

NB: ALL BID DOCUMENTS (PROPOSALS) MUST BE ANNEXED AS INDICATED ABOVE.



LG-03 2023-2024

SPECIFICATIONS/SCOPE OF WORK FOR THE APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL MANAGEMENT SERVICES TO THE DEPARTMENT OF LOCAL GOVERNMENT FOR A PERIOD OF 2 YEARS WITH THE OPTION TO EXTEND FOR A FURTHER 12 MONTH PERIOD.

1. PURPOSE

The Department of Local Government (DLG) requires a Travel Management Company (TMC) To provide an off-site Travel Management Service as outlined in the specifications below **with the option of allowing the DLG to arrange its own travel requirements as and when required without the involvement of the TMC.**

It will be required that the TMC manage travel and accommodation reservations that is highly responsive and quality-oriented to all officials. Emphasis will be placed on demonstrable and reported savings. The DLG expects the selected TMC to be able to leverage its consolidated buying power to obtain optimum discounts for all services.

2. TERM AND TERMINATION

- 2.1 The contract will be for a period of 2 years with an option to extend for an additional 12 months.
- 2.2 The DLG reserves the right to extend the contract for a period of twelve (12) months by mutual agreement of the contracting parties.
- 2.3 The DLG may opt out of the agreement or temporarily suspend all or part of the services by giving 30 days' notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimise further expenditure, provided that the successful bidder shall there upon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

3. COMPULSORY VIRTUAL INFORMATION SESSION

- 3.1 A virtual compulsory information session will be held on the Microsoft Teams online platform on **02 November 2023 at 10h30**. The session will be open at the aforementioned stated time. Attendees will be allowed access to the meeting from 10h30 with the Chairperson closing access at 11h00 whereafter the session will commence.
- 3.2 Prospective service providers must indicate their intention of attending the compulsory virtual briefing session by sending an email to lg.finance@westerncape.gov.za with the reference number: **LG-03 2023-2024** stated in the subject line of such emails **before or on 31 October 2023 by 16h00 latest**. No requests will be considered after this cut-off date and time. The said email should clearly state the prospective service provider's representatives full name, official email address, and contact number.
- 3.3 Only representatives of service providers received as per point 3.2 on or before the before-mentioned due date will be invited and allowed access to the compulsory virtual briefing session. The meeting link will be sent on or before the close of business on 01 November 2023. If the said representative/s cannot attend, a separate email should be sent with the details of the replacement on or before the due date listed above. The meeting links should not be shared with non-representative/s.
- 3.4 The Chairperson will further use this information to prepare a pre-populated register to monitor and control access to the session. Access to the session will therefore be restricted to this pre-populated register. Upon closing access to the briefing session, the chairperson will allow for a formal introduction of representatives and confirm such attendance against the pre-populated register.
- 3.5 An automatic attendance register will be generated from MS Teams and compared against the verbal confirmations and will be considered as the official attendance register of the virtual compulsory briefing session.
- 3.6 The details disclosed at the compulsory briefing session shall be deemed to form part of these Terms of Reference once they have been disclosed to all prospective service providers in attendance at the virtual compulsory briefing session.
- 3.7 No proposals will be accepted from prospective service providers who did not attend the virtual compulsory briefing session.
- 3.8 Bidders are encouraged to peruse the tender document prior to prepare for the session listed above. Further questions of clarity regarding this Scope of Work will only be responded to until **08 November 2023** via the email: LG.Finance@westerncape.gov.za

4. BID CONDITIONS

4.1 Conditions of Bid

4.1.1 This bid is subject to:

- (a) The General Conditions of Contract, 2010 (GCC);
- (b) the application of the 80:20 Preferential Procurement Points System; and
- (c) the provisions outlined in this paragraph 4.

4.1.2 The content of this document shall be deemed to constitute the SCC applicable to this bid and shall be read together with the GCC. Where, however, the SCC are in conflict with the GCC, the SCC shall prevail.

4.1.3 The bid document, together with the specifications contained in this document, shall constitute part of the Contract.

4.1.4 The DLG reserves the right to:

- (a) Request presentations/demonstrations from shortlisted Bidders (bidders that meet or better the minimum qualifying points of the evaluation criteria) as part of the bid evaluation process.
- (b) Carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after the adjudication of the bid; and
- (c) Negotiate with shortlisted bidders;
- (d) arrange its own travel requirements (air travel, accommodation, car rental) and conferencing as and when required without the involvement of the TMC.

4.1.5 The TMC must have a footprint (local office) in the Western Cape.

4.2 DISCLAIMER

4.2.1 Bidders must make and rely on their own investigations and satisfy themselves as to the correctness of any and all aspects of the bid. The DLG will not be liable for any incorrect or potentially misleading information in relation to any part of this document and any accompanying bid documents.

4.2.2 The DLG reserves the right not to appoint any particular contracted partner who does not comply with the conditions of this bid or if information is obtained by DLG about a bidder that could put the DLG at risk.

4.3 INDEMNITY

4.3.1 The bidders will indemnify, protect, defend and hold harmless the DLG from and against any and all claims, demands, actions and proceedings whatsoever including all fees, costs and expenses incurred in respect thereof arising out of:

4.3.1.1 Any claim of any taxes payable by the bidder.

4.3.1.2 Any claim for Workmen's Compensation Insurance or for any loss for which the bidder is liable.

4.3.2.3 Any claim by a third party including any employees of DLG or of the bidder for any loss resulting from any bodily injury and or damages to property by any act or omission of the bidder or any of its employees, servants or agents.

4.4 CONFIDENTIALITY

4.4.1 The TMC must ensure confidentiality in respect of all services rendered to the DLG, including but not limited:

4.4.1.1 airline tickets, transport, accommodation and conferences (optional) arranged for the DLG and concerning all traveller(s);

4.4.1.2 expenditure incurred by the DLG pertaining to the services rendered by the TMC; and

4.4.1.3 the private information of the traveller(s).

4.5 CONFLICT OF INTEREST, CORRUPTION AND FRAUD

4.5.1 The DLG reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of DLG or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity");

- 4.5.2 engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- 4.5.3 seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 4.5.4 makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the DLG's directors, employees, advisors or other representatives;
- 4.5.5 makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to the DLG;
- 4.5.6 accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to the DLG;
- 4.5.7 pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to the DLG;
- 4.5.8 has in the past engaged in any matter referred to above; or
- 4.5.9 has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

4.6 MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- 4.6.1 The bidder should note that the terms of its bid will be incorporated in the proposed contract by reference and that DLG relies upon the bidder's bid as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.

4.6.2 It follows therefore that misrepresentations in a Bid may give rise to service termination and a claim by DLG against the bidder notwithstanding the conclusion of the Service Level Agreement between DLG and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

4.7 PREPARATION COSTS

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing DLG, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

4.8 AVAILABILITY OF FUNDS

Should funds no longer be available to pay for the execution of the responsibilities of this bid, the DLG may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimise further expenditure. Provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

4.9 ACCEPTANCE OF ALL BID CONDITIONS (Phase 1 of Bid Evaluation Process)

It is mandatory for bidders to indicate with an "X" in the appropriate column below to confirm whether the bidder accepts all conditions above:

| <u>ACCEPT</u> <u>all bid conditions</u> | <u>DO NOT accept</u> <u>all bid conditions</u> |
|--|---|
| | |

Non-acceptance of all bid conditions will result in the disqualification of the relevant service provider's bid proposal.

4.10 TRAVEL EXPENDITURE

4.10.1 The total expenditure for the 2021/22 and 2022/23 financial years, outlined in the table below, includes air travel, accommodation, car hire, shuttle services and conference fees. The figures are invoiced totals and excludes Service fees, which is separately provided in the last columns.

4.10.2 The figures indicated in the table below are historic trends, but they may change significantly during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal. Departmental statistics and information must in no way be viewed as a commitment or guarantee of future business and must be viewed as estimates only.

| 2021/22 Financial Year | | | | | |
|------------------------|---------------|------------|------------|-------------|--------------|
| Air Travel | Accommodation | Car Rental | Shuttle | Conference | Service fees |
| R91,677.17 | R1,265,289.46 | R27,027.95 | R3,114.00 | R202,312.00 | R75,813.44 |
| 2022/23 Financial Year | | | | | |
| Air Travel | Accommodation | Car Rental | Shuttle | Conference | Service fees |
| R318,333.01 | R1,832,797.55 | R74,429.31 | R31,235.72 | R297,879.00 | R106,688.91 |

4.11 VOLUME DRIVEN INCENTIVES

4.11.1 It is important for bidders to note the following when determining the pricing. All rates offered for domestic air and land arrangements must be net and non-commissionable. This will include rates offered by domestic airlines with which National Treasury has agreements, accommodation establishments, car rental providers and the informal accommodation market e.g: guest houses, bed & breakfast or any other similar establishments.

- 4.11.2 TMCs are to book these negotiated rates or the best fare available, whichever is the most cost effective for the DLG;
- 4.11.3 No override commissions earned through DLG reservations will be paid to the TMCs.

5. SPECIFICATION / SCOPE OF WORK

5.1 SERVICE REQUIREMENTS

The TMC must provide a travel management service to the DLG as described in this specification/scope of work. The service type is articulated in paragraph 5.1.1 below.

5.1.1 Service Required: Off-Site Travel Management Services

Rendering of an off-site travel management service to the DLG for a period of two (2) years with the option to extend for a possible further 12-month period.

5.2 General Service requirements

- 5.2.1 Provide an implementation plan for implementing of an off-site travel management service without service interruptions at the implementation of the contract.
- 5.2.2 The travel services will be provided to all Travellers travelling on behalf of the DLG.
- 5.2.3 Implementation of controls to ensure compliance with the Departmental Travel Policies.
- 5.2.4 Provide a facility for DLG to update their Travellers' profiles.
- 5.2.5 Assist to manage the third-party service providers by addressing service failures and complaints against these service providers.
- 5.2.6 The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator and the TMC in one smooth continuous workflow.

5.3 Reservations

- 5.3.1 Receive travel requests from Travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the TMC will issue the required e-tickets and vouchers within an agreed period and send it to the travel booker and traveller via the agreed communication medium.
- 5.3.2 Always endeavour to make the most cost-effective travel arrangements;
- 5.3.3 Apprise themselves of all travel requirements for destinations to which Travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.
- 5.3.4 Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.
- 5.3.5 Book best available negotiated, discounted fares and rates wherever possible (refer to paragraph 4.11).
- 5.3.6 Keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- 5.3.7 Book parking facilities at the airports where required for the duration of the travel.
- 5.3.8 Respond to and process all queries, requests, changes and cancellations timeously and accurately.
- 5.3.9 Facilitate group bookings (e.g. for meetings, conferences, events, etc.)
- 5.3.10 Issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates.
- 5.3.11 Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- 5.3.12 Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- 5.3.13 Note that, unless otherwise stated, cases may include domestic, regional or international travel bookings.
- 5.3.14 Advise the Traveller of all visa and inoculation requirements well in advance. Visa applications will not be the responsibility of the TMC.
- 5.3.15 Ensure confidentiality in respect of all DLG travel arrangements.
- 5.3.16 Ensure that the negotiated airline fares, accommodation establishment rates, car rental rates, etc., that are negotiated directly or established by National Treasury or by WCG, are non-commissionable.

- 5.3.17 Electronic voucher retrieval via web and smart phones;
- 5.3.18 SMS notifications for travel confirmations to be sent to traveller and/or travel booker;

5.4 Air Travel

- 5.4.1 Book full-service carriers as well as low-cost carriers; The best-fare-of-the-day (the lowest fare at the time of booking and for which a seat is available) by making use of the rates offered by domestic airlines with which National Treasury has agreements;
- 5.4.2 For international flights, the airline which provides the most cost effective and practical routings may be used;
- 5.4.3 Supply a minimum of three quotations or more for all air travel requirements where possible;
- 5.4.4 Plan, book, arrange and amend air travel at the lowest fares available, domestic, regional and international, including the issuing and delivery of any travel documentation to the traveller(s) and travel booker;
- 5.4.5 Tracking and management of unused e-tickets as per agreement with the institution;
- 5.4.6 Bookings must be confirmed electronically via email and text message Short Message Service (SMS) with the relevant reference number. It must be provided timeously to the traveller(s) and travel booker before departure times;
- 5.4.7 The travel management company must be able to obtain meaningful savings through negotiating preferential fares for both national and international air travel, provided no prior agreement exists between NT, the WCG and a particular airline.

5.5 Accommodation

- 5.5.1 Plan, book, arrange and amend accommodation with hotel groups, private hotels, guesthouses and other available concerns, for example: boarding houses, other graded facilities and other concerns that offer bed, breakfast and parking facilities (collectively referred to as **"places that offer accommodation"**), for domestic, regional and international travel arrangements;
- 5.5.2 Generally, accommodation for officials must be booked in accordance with the departmental travel policies or instruction. Deviations hereto must be authorised by the duly authorised departmental representative of the DLG;

- 5.5.3 Obtain a minimum of three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate as per travel policies.
- 5.5.4 The TMC will source suitable accommodation bearing in mind the requirement of convenience (located as close as possible to the venue or office or location or destination of the traveller) for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury, WCG or DLG; and
- 5.5.6 Accommodation vouchers must be issued to all Traveller(s) and travel bookers for accommodation bookings and must be invoiced in terms of the agreement (SLA) between the DLG and the TMC.

5.6 Vehicle Rental

- 5.6.1 Plan, book, arrange and amend vehicles, without the services of a driver/chauffeur, with car rental companies, for domestic, regional and international travel arrangements;
- 5.6.2 Negotiate discounts (where applicable) on standard tariffs or reduced tariffs with all available car rental companies;
- 5.6.3 Supply a minimum of three quotations or more for all vehicle rental requirements where possible;
- 5.6.4 Ensure that relevant information is shared with Travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, fines etc.;
- 5.6.5 Advise the DLG on the car rental companies' rental contracts and identify any possible risks for the DLG, including but without limiting advice pertaining to insurance on the hired vehicles, cost implications and excesses. Appropriate insurance cover to be provided when necessary. It is required from the selected provider to negotiate a beneficial rate to this effect;
- 5.6.6 Book the approved category vehicle in accordance with the Departmental Travel Policies with the appointed car rental service provider from the closest rental location (airport, hotel and venue);
- 5.6.7 Advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements; and
- 5.6.8 For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.

5.7 Shuttle/Transfer Service/Rail

- 5.7.1 Plan, book, arrange and amend transport, including a driver or, with shuttle/transfer/chauffeur service and car rental companies. Normally such shuttle/transfer/chauffeur services will be required to and from the traveller(s) residence(s), airport, place of work or accommodation, for domestic, regional and international travel arrangements;
- 5.7.2 Book transfers in line with the Department's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services;
- 5.7.3 Supply a minimum of three quotations or more for all shuttle / transfer requirements where possible;
- 5.7.4 Plan, book, arrange and amend other forms of road, water and rail transport with applicable concerns/companies, both for domestic, regional and international travel arrangements;
- 5.7.5 Negotiate discounts (where applicable) on standard tariffs with all available shuttle/ transfer/chauffeur service and car rental companies; and
- 5.7.6 The TMC must during their report period indicate that negotiated rates were booked, where applicable.

5.8 Parking

Where possible and required the TMC must arrange convenient and safe parking for the traveller(s).

5.9 Conferencing venue and related facilities (optional)

- 5.9.1 Facilitate the arrangement of conference bookings, meetings, seminars and workshops, strategic sessions and other related venues, equipment and facilities (collectively referred to as **"places that offer conference facilities"**). Facilitate the amendment of venues/ conferences as per departmental instructions;
- 5.9.2 Ensure that any other services (such as registration of participants for the attendance of conferences/workshops as well as the provision additional equipment, assistants, ancillary staff and transportation of participants) will be satisfactorily provided;
- 5.9.3 Supply a minimum of three quotations or more for all conference requirements where possible;
- 5.9.4 Negotiate discounts (where applicable) on standard tariffs or reduced tariffs with all places that offer conference facilities.

5.10 After-Hours and Emergency Services

- 5.10.1 Provide a consultant or team of consultants to assist travellers with after hours and emergency reservations and changes to travel plans.
- 5.10.2 A call center facility or after hours contact number must be available to all travellers should unexpected changes to travel plans or emergency bookings be required.
- 5.10.3 The after-hours service must be accessible by all communication methods, such as, telephone calls (preferred method), SMS, WhatsApp and/or an e-mail service.
- 5.10.4 The TMC is required to provide the Standard Operating Procedure of their after- hours and emergency support which must include the following as a minimum:
 - How the after-hours service is accessed by travellers;
 - Where the after-hours service delivery team is located, i.e. centralised, regionalised, in-country, owned, outsourced, etc.;
 - Whether it is available 24/7/365; and
 - The bidder's approach in dealing with multiple incidents/crises simultaneously and reporting of such emergencies.

5.11 Support and Value Added Services

- 5.11.1 The TMC should provide the following value-added services at no additional cost:
 - destination information for regional and international destinations;
 - health warnings;
 - weather forecasts;
 - places of interest;
 - visa information;
 - travel alerts;
 - location of hotels and restaurants;
 - information including the cost of public transport;
 - rules and procedures of the airports;

- airline baggage policy;
- business etiquette specific to the country;
- arrangement of special assistance e.g. disabled travellers, first time travellers; and
- supplier updates.

5.11.2 **Delivery Service**

Where no e-ticket facilities are available, travel documentation must be timeously delivered to the traveller(s) or relevant Personal Assistant/Travel Booker. The confirmation with all travel particulars must be sent via email facility and a text message Short Message Service (SMS) with the relevant reference number to the Traveller and relevant Personal Assistant/Travel Booker.

5.11.3 **Travel documents**

- (a) The travel agent must facilitate the following arrangements:
- i. Assistance with the timely completion, submission and receipt of travel documents;
 - ii. traveller's cheques;
 - iii. immunization clinic and the issue of immunization certificate; and
 - iv. Assistance with the issue of Visa's.

- 5.11.4 Any other or alternative value-added services or features offered by the TMC should be clearly explained in the supporting documentation submitted with the bid proposal.

5.12 **Cost Management**

- 5.12.1 The National Treasury cost containment initiatives and the departmental Travel Policies is establishing a basis for a cost savings culture.
- 5.12.2 It is the obligation of the TMC to advise on the most cost-effective option at all times, and costs should be within the framework of the National Treasury, WCG and DLG cost containment instructions or policies.
- 5.12.3 The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.
- 5.12.4 The TMC should have in-depth knowledge of the relevant supplier(s) products, to be able to provide the best option and alternatives that are in accordance with departmental Travel

Policies to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

5.13 Training

Ensure that workshops/training are provided to Travellers and/or Travel Bookers on an as and when required basis.

5.14 Financial Management

- 5.14.1 Purchase air travel tickets and make reservations for accommodation, vehicle rental, shuttle/transfer services and conference venues and related facilities for the DLG on receipt of departmental authorisation as agreed upon in the SLA.
- 5.14.2 The re-imbursement of payments by the DLG for the services of the TMC will be made in a way to be agreed upon between the parties (within a 30-day period of receipt of a correct invoice).
- 5.14.3 Only invoices received in the name of the TMC, addressed to the DLG, which reflect the departmental authorisation as agreed upon in the SLA will be processed.
- 5.14.4 Implement the rates negotiated, discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- 5.14.5 Must provide a 30-day consolidated bill-back account facility to DLG.
- 5.14.6 Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed and paid by the TMC and will be included in the consolidated bill-back account.
- 5.14.7 Consolidate invoices and supporting documentation to be provided to the Department's Directorate: Financial Management on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation and other supporting documentation to the invoices.

5.15 Technology, Management Information and Reporting

5.15.1 Meetings

The TMC shall hold meetings with the DLG respectively at intervals to be agreed upon, to address any issues or problems which may arise.

5.15.2 Reporting

5.15.2.1 Have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.

5.15.2.2 Information must be accurate and available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).

5.15.2.3 Reports must be available in an electronic format for example Microsoft Excel.

5.15.2.4 Implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

5.15.2.5 The TMC must submit a detailed management report to include the requirements below, but not limited to:

- (a) A reconciled monthly statement reflecting all outstanding payments linked to a specific order and invoice;
- (b) All transactions processed for a particular month linked to an issued order number;
- (c) The number of confirmed booking changes made;
- (d) All savings achieved and credits due;
- (e) Lost savings due to late or cancelled bookings;
- (f) All expenses (inclusive of savings) for each service; and
- (g) Ad hoc reporting (at no additional costs) as may be required by the DLG.

5.16 Account Management

5.16.1 An Account Management structure should be put in place to respond to the needs and requirements of the Department and act as a liaison for handling all matters with regards to delivery of services in terms of the contract.

- 5.16.2 The TMC must provide a dedicated Account or Business Manager to be assigned to the DLG that is ultimately responsible for the management of the Department's account.
- 5.16.3 The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.
- 5.16.4 A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.
- 5.16.5 Ensure that the departmental Travel Policies are enforced.

5.17 FEES

- 5.17.1 The stipulated bid prices shall be fixed (firm) as set out in the document for the first year (to be completed on the attached WCBD 3.1). The service fee must be fixed for each transaction for the first year.
- 5.17.2 Transaction types 3, 8, 15, 20, 23 and 24 as outlined in the WCBD 3.1 (Pricing Schedule), will be used for evaluation/comparative purposes. The award of the contract will be based on best value for money and taking due consideration of whether the requirements of the DLG can be met.
- 5.17.3 Bid prices submitted on the WCBD 3.1 will not be considered if indicated as a percentage (format) of the value of a transaction, except in the case of where a conference venue and related facilities needs to be arranged.
- 5.17.4 Price escalations for Year two and three (in the event of further extension) must be indicated on the WCBD 3.1.
- 5.17.5 To the extent that the DLG disputes the correctness, nature, extent or calculation of any fees or expenses payable to service provider in terms of the contract, the DLG shall be entitled to withhold payment of such disputed amounts until such time as such dispute is resolved.

5.18 RESPONSIBILITIES

5.18.1 Booking Officers

The Personal Assistants/Travel Bookers or delegated officials within the DLG will be responsible to arrange air travel, accommodation, car hire, shuttle

services and conference requirements by giving the TMC the necessary details so that the said requirements are understood. In this regard, the following must be considered:

- Official nature of the travel request (flight, accommodation, car or conferencing requirements).
- Departure and arrival points/dates and type of air travel required.
- Departure and arrival dates and type of accommodation required.
- The DLG will provide an official order in writing for the arrangement of travel, accommodation, car hire, shuttle and conference requirements. In this regard the purchase order will be the official document committing the DLG to payment of the amount owing.
- The DLG will provide an official order in writing for the arrangement of conference and related facility requirements. In this regard the purchase order will be the official document committing the DLG to payment of the amount owing.

5.18.2 **Travel Agency**

The travel agent will be responsible for the following:

When making bookings for air travel, accommodation, conference venue, car rental and shuttle services, preference must be given to the instruction of the booking officers in respect of the following:

- Dates, routes, preferred airlines, passenger class, preferred seating and estimated costs.
- Hotel facilities, location, availability of parking facilities, distance from airport, public transport.
- Alternative arrangements must timeously be suggested when confirming seating, accommodation, car rental and shuttle arrangements.
- Ensure comprehensive travel plans are timeously provided where a variety of travelling routes, accommodation and services exist.
- Timeous submitting of the required management reports.
- Ensure confidentiality in respect of all travel and accommodation arrangements.
- Ensure continued negotiations with suppliers of all services to the benefit of the DLG.
- Must not issue any travel documentation, accept after receipt of an official order/ Temporary order in writing from the DLG.

5.19 General Notices and Notices pertaining to tariffs/discount adjustments

The TMC must:

- 5.19.1 furnish the DLG with notices of imminent tariff adjustments, especially in respect of air travel; and
- 5.19.2 provide the DLG with copies of notices which the TMC receives from the airlines and the airports company pertaining to anything that may cause any inconvenience to the traveller(s), including but not limited to notices of new security and baggage regulations, notices of strikes by relevant personnel and notices of airport refurbishments or changes to the airport's terminal.

6. Compulsory Requirements - Compulsory Bid Documents

The following documents are compulsory and must be submitted according to the table below.

Table 1: List of Compulsory Bid Documents and requirements:

| Documents that must be submitted | Description/ Instructions |
|----------------------------------|--|
| WCBD 1 | Invitation to bid – Must be duly completed and signed by authorized signatory. Proof of authority to be submitted. |
| WCBD 3.1 | Pricing Schedule. Must be duly completed and signed by authorized signatory. |
| WCBD 4 | Declaration of Interest, Declaration of Bidder's Past Supply Chain Management Practices and Certificate of Independent Bid Determination – Completed and signed. |
| WCBD 6.1 | Preference Points Claim Form completed and signed (WCBD 6.1). B-BBEE Certificate / sworn affidavit as supporting evidence to be provided by bidders to claim preference points in respect of 20 points (80/20) and 10 points (90/10). Should a bidder fail to submit an accredited B-BBEE certificate or sworn affidavit, the bidder may only score points for price in terms of the 80/90 points. No points will be allocated for preference. ONLY THE B-BBEE STATUS STATED ON THE COMPLETED WCBD 6.1 LISTED ABOVE WILL APPLY TO THE EVALUATION OF THIS BID AND NOT THE B-BBEE STATUS ON THE CSD. BIDDERS MUST NOTE THAT THE GENERIC SECTOR CODE DOES NOT APPLY TO THIS BID. |

| | |
|--|---|
| Registration on Central Supplier Database (CSD). | The TMC must be duly registered as a service provider on the Central Supplier Database (CSD). Submit proof of registration. |
| International Air Transport Association (IATA) licence/ certificate. | Proof of certificate. |
| Where a TMC is using a 3rd party IATA licence, proof of the agreement. | Proof of agreement. |

7. BID EVALUATION PHASES

Bids will be evaluated in the following manner:

Phase 1: Compliance with all bid conditions;

Phase 2: Compliance with compulsory requirements;

Phase 3: Compliance Certification related to the specifications;

Phase 4: Evaluation in terms of Bid Conditions;

Phase 5: Evaluation according to the Preferential Procurement Regulations 2022 and in terms of the Western Cape Governments interim strategy as it relates to preference points.

7.1 Phase 1: Compliance in terms of acceptance of all bid conditions

Bidders must indicate if all bid conditions are accepted in the box provided at point 4.9 above. Non-compliant bidders will not progress to the next phase.

7.2 Phase 2: Compliance with compulsory requirements

Following Phase 1, bids will be evaluated against compulsory requirements. Bidders must submit all documents as outlined in (Table 1) above under compulsory documents at paragraph 6. Non-compliant bidders will not progress to the next phase.

7.3 Phase 3: Compliance Certification related to the specifications

7.3.1 Following Phase 2, bids will be evaluated against compliance certification related to the specification. Bids with material deviations may be eliminated and may not progress onto the next phase.

7.3.2 Bidders are required to indicate with an "X" in the relevant column in the table below to confirm whether the bidder complies with the specific requirements of the bid. Failure to indicate compliance and non-submission of required documents indicated may result in disqualification.

| NO | REQUIREMENT | Comply | Do Not Comply |
|----------|--|---------------|----------------------|
| 1 | COMPLIANCE WITH SPECIFICATIONS | Comply | Do Not Comply |
| 1.1 | Does bidder comply with all bid specifications? The bidder understands that failure to comply with the bid specifications may invalidate the bid. | | |
| 2 | REQUIRED DOCUMENTS (to be read in conjunction with the functional evaluation criteria) | Comply | Do Not Comply |
| 2.1 | Provide an implementation plan for implementing the service without service interruptions (Traditional Service). | | |
| 2.2 | Letters on company letterheads proving ability and capacity to handle small and large group bookings and manage all travel bookings for the groups. | | |
| 2.3 | Provide Standard Operating Procedure of after-hours support services. | | |
| 2.4 | Financial Statements for the most recent completed 2 x financial years'. | | |
| 2.4.1 | Do the financial statements provided relate to the bidder's 2 most recent financial years? | | |
| 2.5 | Provide CV of the dedicated Account and/or Business Manager(s) for this travel account | | |

| NO | REQUIREMENT | Comply | Do Not Comply |
|-----|---|--------|---------------|
| 2.6 | Company Profile that includes organogram, domestic and international affiliations and staffing profile; | | |
| 2.7 | At least three (3) contactable references from existing/recent clients (within past 3 years) to whom travel related services were rendered. | | |

7.4 Phase 4: Evaluation in terms of Bid Conditions

A minimum of 70 or more points out of 100 for evaluation in terms of bid conditions is required for the bidder to progress to phase 5.

7.4.1 Traditional Service (Off Site Travel Management Service): Quality, Experience, Account Management and Financial viability (100 points).

Bidders must, as part of their bid documents, submit supporting documentation for all evaluation requirements indicated in the table hereunder. **A response to each criterion in the table below must be submitted (indicate page number in proposal).** Failure to address each criterion within the table will constitute non-compliance with the bid conditions and may invalidate the bid proposal. Bidders are required to achieve a minimum of 70 points or more out of 100 points for this stage to proceed to Phase 5.

| No | BID CONDITIONS CRITERION | WEIGHT | GUIDELINES FOR CRITERIA APPLICATION AND POINTS | POINTS | REFERENCE PAGE IN PROPOSAL |
|-----|---|--------|---|------------------------------|----------------------------|
| 1. | QUALITY OF PROPOSAL AND AFTER-HOURS SERVICES | 30 | | | |
| 1.1 | <p>Demonstrate an understanding of the WCG requirements and provide an appropriate proposal which includes:</p> <ul style="list-style-type: none"> Managing all reservations/bookings; management of 30-day bill-back account facility; how invoicing will be handled, including the process of rectifying discrepancies between purchase orders, supporting documentation and reconciliation of transactions and; a detailed implementation plan highlighting how this will be performed without creating service interruptions. | 20 | <p>Poor quality of response. No clear understanding of the services against the required business context.</p> <p>Good quality of response. Some evidence of understanding the services required against the business context.</p> <p>Excellent quality of response. Clear evidence of understanding the services required against the business context.</p> | <p>5</p> <p>15</p> <p>20</p> | |

| No | BID CONDITIONS CRITERION | | WEIGHT | GUIDELINES FOR CRITERIA APPLICATION AND POINTS | | POINTS | REFERENCE PAGE IN PROPOSAL |
|-----|---|--|--------|--|----|--------|----------------------------|
| 2. | INDUSTRY EXPERIENCE AND LOCATION | | 30 | | | | |
| 2.1 | Travel and Accommodation accounts managed in excess of R1 million per annum by the TMC. Provide contactable references, refer to the pre-qualification requirements in paragraph 7.3 item 2.7 (company name, position of person, telephone number and email address). | | 10 | Fewer than 2 accounts | 0 | | |
| | | | | 2-4 accounts | 8 | | |
| | | | | More than 4 accounts | 10 | | |
| 2.2 | The TMC must have a footprint (local office) in the Western Cape (Company letter head with address to be submitted as proof) | | 10 | Does not have a local office in the Western Cape | 1 | | |
| | | | | Has a local office in the Western Cape | 10 | | |
| 2.3 | Number of years' experience in the travel industry Bidder to indicate in proposal. | | 10 | 3-years' experience | 5 | | |
| | | | | 4-6 years' experience | 8 | | |
| | | | | 7 years' experience and above | 10 | | |

| No | BID CONDITIONS CRITERION | WEIGHT | GUIDELINES FOR CRITERIA APPLICATION AND POINTS | POINTS | REFERENCE PAGE IN PROPOSAL |
|-----|--|--------|--|------------------------------|----------------------------|
| 3. | ACCOUNT MANAGEMENT | 30 | | | |
| 3.1 | Provide the following: <ul style="list-style-type: none"> current quality control procedures/processes you have in place to ensure that your clients receive consistent quality service. process flow handling queries, requests, changes and cancellations. a detailed response indicating performance standards with respect to resolving service issues. organisation's complaint handling procedure. | 20 | <p>Poor quality of response. No understanding against the required business context.</p> <p>Good quality of response. Some evidence of understanding the services required against the business context.</p> <p>Excellent quality of response. Clear evidence of understanding the services required against the business context.</p> | <p>5</p> <p>15</p> <p>20</p> | |
| 3.2 | The account management experience of the dedicated Account and/or Business Manager. (Provide proposed Account management structure/ organogram, CV of Account and/or Business Manager/s.) | 10 | <p>1-3 years' experience</p> <p>4-5 years' experience</p> <p>More than 5 years' experience</p> | <p>5</p> <p>8</p> <p>10</p> | |

| No | BID CONDITIONS CRITERION | WEIGHT | GUIDELINES FOR CRITERIA APPLICATION AND POINTS | POINTS | REFERENCE PAGE IN PROPOSAL |
|-----|--|--------|--|--------|----------------------------|
| 4 | FINANCIAL VIABILITY | 10 | | | |
| 4.1 | Financial statements that are compliant to the International Financial Reporting Standards (IFRS) for the bidder's two (2) most recent financial years. Financial statements will be assessed to evaluate bidders' financial health. | 10 | <div>*Unacceptable (may require additional scrutiny).</div> <div>0</div> <div>Acceptable</div> <div>8</div> <div>Excellent</div> <div>10</div> | | |
| | TOTAL | 100 | | | |
| | MINIMUM THRESHOLD | 70 | | | |
| | BIDDERS NEED TO REACH A MINIMUM OF 70 POINTS OR MORE TO QUALIFY TO THE NEXT STAGE OF THE EVALUATION PROCESS | | | | |

7.5 Phase 5: EVALUATION ACCORDING TO THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

All proposals that comply with phases 1 – 3 and meet or better the minimum score of 70 points for the compulsory conditions of bid at phase 4 will be evaluated further on the 80/20 preference point system for price and B-BBEE credentials according to the Preferential Procurement Policy Framework Act (PPPFA) and the regulations thereto, where 80 refers to price and 20 to B-BBEE status.

Note: Only the pricing of year 1 and year 2 will be considered during the 5th phase of the evaluation process.

8. BID SUBMISSION DETAILS

Proposals must be placed in a sealed envelope with the request for proposals number on the front and the prospective service provider's name and address at the back. Proposals must be deposited in the blue tender / proposal box clearly marked "LOCAL GOVERNMENT" situated in the foyer / passage on the Ground Floor, No. 80 St Georges Mall, Cape Town, Waldorf Building by **11h00 on or before 24 November 2023**. Failure to comply with the above requirement will render your bid as non-responsive. Please ensure that the proposal is clearly marked with the reference number **LG-03 2023-2024**

9. DECLARATION OF CONFIDENTIALITY

The successful bidder/s shall regard all information in, or in support of the project, as confidential and may not use any information for personal or 3rd party gain. All communication with the media regarding this project (if any) will be conducted via the communication component of the Department (unless agreed upon otherwise).

10. ABSENCE OF OBLIGATION

No legal or other obligation shall arise between bidders and the Department unless and until the formal appointment documentation has been signed. The Department is not obliged to proceed with any proposals of any bidder. The Department also reserves the right to request changes to any proposed consortia.

11. COMPULSORY REGISTRATION

- 11.1 Bidders must be duly registered on the Western Cape Supplier Evidence Bank (WCSEB). Service providers will be responsible to ensure that they are registered on the WCSEB as well as on the Central Supplier Database (CSD). If you are not registered on or before the award stage of this request, your bid may not be considered.
- 11.2 Should you not be registered on WCSEB, please email the WCSEB team on wcseb@westerncape.gov.za for further assistance.
- 11.3 Should you not be registered on CSD, please self-register on www.csd.gov.za, **for further assistance please contact csd@treasury.gov.za or 012 315 5509.**

Failure to be actively registered on the CSD on or before the time of award may result in the disqualification of the bid.

Registration on the database and tax compliance status will be verified at the time of the award. Bidders must have a compliant tax status to be awarded a contract.

12. ENQUIRIES

Any further enquiries regarding the terms of reference should be directed to the Supply Chain Management unit within the Department of Local Government via email at LG.Finance@westerncape.gov.za. The reference number: **LG-03 2023-2024** must be stated in the subject line of such e-mails.

WCBD 3.1: PRICING SCHEDULE (OFF-SITE TMC SERVICE)

1. This is a rates-based tender. For evaluation purposes, service providers must ensure that this document is completed fully, accurately and should include all applicable rates in the required fields, as per the following guidelines:
2. The unit pricing indicated in the WCBD 3.1 will be regarded as the official and final price offered for a service.
3. Pricing must be a fixed amount per year for a particular service. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers. However, the cost for the arrangement of conferences and related services may be considered as a percentage of the value or cost of the service provided by third party service providers.
4. The stipulated bid prices shall be fixed (firm) for the first year. Price escalations for Year two and three (in the event of further extension) must also be indicated.
5. Prices quoted **must be quoted in RSA currency and must be inclusive of VAT. The VAT rate (15%) must be applied on the pricing.**
6. The total price for evaluation purposes must be calculated as follows:
 - Add Transaction types 3, 8, 15, 20, 23 and 24 for year 1 + Transaction types 3, 8, 15, 20, 23 and 24 + the escalation in year 2 to obtain a total bid price for evaluation purposes.
7. **Note: Only the pricing of year 1 and year 2 will be considered during the 5th phase of the evaluation process as indicated in the Terms of Reference.**

| | | | |
|---|----------|---------------|------------------|
| NAME OF BIDDER: | | BID NO.: | LG-03 2023-2024 |
| CLOSING TIME: | 11:00 | | |
| VALIDITY PERIOD: | 120 Days | CLOSING DATE: | 24 NOVEMBER 2023 |
| APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL MANAGEMENT SERVICES TO THE DEPARTMENT OF LOCAL GOVERNMENT FOR A PERIOD OF 2 YEARS WITH THE OPTION TO EXTEND FOR A FURTHER 12 MONTH PERIOD. | | | |

| SERVICE FEES FOR OFF-SITE TRAVEL MANAGEMENT SERVICES | | |
|--|----------------------------|---|
| No. | Transaction Type | Fees (unit prices) for Net and Non-Commissionable Rates |
| | | YEAR 1 |
| 1. | Air Travel – International | R..... |
| 2. | Air Travel – Regional | R..... |
| 3. | Air Travel – Domestic | R..... |

| | | |
|-----|---|--------|
| 4. | Air Travel – Re-issue | R..... |
| 5. | Air Travel – Refund | R..... |
| 6. | Air Travel – Amendments | R..... |
| 7. | Air Travel – Cancellations | R..... |
| 8. | Accommodation – Domestic | R..... |
| 9. | Accommodation – Regional | R..... |
| 10. | Accommodation – International | R..... |
| 11. | Accommodation – Amendments | R..... |
| 12. | Accommodation – Cancellations | R..... |
| 13. | Car Rental – International | R..... |
| 14. | Car Rental – Regional | R..... |
| 15. | Car Rental – Domestic | R..... |
| 16. | Car Rental – Amendments | R..... |
| 17. | Car Rental – Cancellations | R..... |
| 18. | Transfers/Shuttle – International | R..... |
| 19. | Transfers/Shuttle – Regional | R..... |
| 20. | Transfers/Shuttle – Domestic | R..... |
| 21. | Transfers/Shuttle – Amendments | R..... |
| 22. | Transfers/Shuttle – Cancellations | R..... |
| 23. | Bundle fee: Flights, Accommodation and car rental | R..... |
| 24. | Bundle fee: Flights and car rental | R..... |
| 25. | Parking Bookings | R..... |

| | | |
|-----|-------------------|--------|
| 26. | SMS notifications | R..... |
| 27. | Bill back fee | R..... |
| 28. | After hours' fee | R..... |

| CONFERENCING | | OFF-SITE TMC |
|------------------|---|---|
| Transaction type | | Fees for Net and Non-Commissionable Rates |
| | | YEAR 1 |
| 29. | Conference Venue Hire Only. | R...../% |
| 30. | Conference and related facilities which includes meals, equipment, stationery and venue hire. | R...../% |

| | | |
|----|--|----------------|
| a) | Are the rates quoted firm for the full period of the contract? | *YES/NO |
| b) | Please indicate the intended price escalation for year 2. | % |
| c) | Please indicate the intended price escalation for year 3. | % |
| d) | Does offer comply with specification? | *YES/NO |
| e) | If not to specification, indicate deviation(s). | |

SERVICE FEES FOR OFF-SITE TRAVEL MANAGEMENT SERVICES

| | |
|---|---------|
| BID PRICE YEAR 1 (Transaction types 3, 8, 15, 20, 23 and 24). | R..... |
| BID PRICE YEAR 2 (Transaction types 3, 8, 15, 20, 23 and 24 + Escalation). | R..... |
| BID PRICE YEAR 3 (Transaction types 3, 8, 15, 20, 23 and 24 + Escalation). | R..... |
| <u>TOTAL BID PRICE FOR EVALUATION PURPOSES:</u> (Add Transaction types 3, 8, 15, 20, 23 and 24 for year 1 + Transaction types 3, 8, 15, 20, 23 and 24 + the escalation in year 2). | R |

Please provide details of duly designated or authorised person submitting the price schedule on behalf of bidder:

Print Name(s) and Surname: _____

Designation: _____

Signature: _____



PROVINCIAL GOVERNMENT WESTERN CAPE

DECLARATION OF INTERESTS, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION

1. To give effect to the requirements of the Western Cape Provincial Treasury Instructions, 2019: Supply Chain Management (Goods and Services), Public Finance Management Act (PFMA) Supply Chain Management (SCM) Instruction No. 3 of 2021/2022 - SBD 4 Declaration of Interest, Section 4 (1)(b)(iii) of the Competition Act No. 89 of 1998 as amended together with its associated regulations, the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and regulations pertaining to the tender defaulters register, Paragraph 16A9 of the National Treasury Regulations and/or any other applicable legislation.
2. 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.
3. All prospective bidders intending to do business with the Institution must be registered on the Central Supplier Database (CSD) and the Western Cape Supplier Evidence Bank (WCSEB) if they wish to do business with the Western Cape Government (WCG) via the electronic Procurement Solution (ePS).
4. The status of enterprises and persons listed on the National Treasury's Register for Tender Defaulters will be housed on the ePS. Institutions may not under any circumstances procure from enterprises and persons listed on the Database of Tender Defaulters.
5. The status of suppliers listed on the National Treasury's Database of Restricted Suppliers will be housed on the ePS; however, it remains incumbent on institutions to check the National Treasury Database of Restricted Suppliers before the conclusion of any procurement process. For suppliers listed as restricted, institutions must apply due diligence and risk assessment before deciding to proceed with procurement from any such supplier.

6. **Definitions**

"bid" means a bidder's response to an institution's invitation to participate in a procurement process which may include a bid, price quotation or proposal;

"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;

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"business interest" means -

- (a) a right or entitlement to share in profits, revenue or assets of an entity;
- (b) a real or personal right in property;
- (c) a right to remuneration or any other private gain or benefit, or
- (d) includes any interest contemplated in paragraphs (a), (b) or (c) acquired through an intermediary and any potential interest in terms of any of those paragraphs;

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

"Controlling interest" means, 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;

"Corruption"- General offences of corruption are defined in the Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004) as:

Any person who directly or indirectly -

- (a) accepts or agrees or offers to accept an! gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or
- (b) gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person., in order to act personally or by influencing another person so to act, in a manner—
 - (i) that amounts to the-
 - (aa) illegal. dishonest. unauthorised. incomplete. or biased: or
 - (bb) misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation:
 - (ii) that amounts to-
 - (aa) the abuse of a position of authority;
 - (bb) a breach of trust; or
 - (cc) the violation of a legal duty or a set of rules;
 - (iii) designed to achieve an unjustified result; or
 - (iv) that amounts to any other unauthorised or improper inducement to do or 45 not to do anything. of the, is guilty of the offence of corruption.

"CSD" means the Central Supplier Database maintained by National Treasury;

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"employee", in relation to –

- (a) a department, means a person contemplated in section 8 of the Public Service Act, 1994 but excludes a person appointed in terms of section 12A of that Act; and
- (b) a public entity, means a person employed by the public entity;

"entity" means any -

- (a) association of persons, whether or not incorporated or registered in terms of any law, including a company, corporation, trust, partnership, close corporation, joint venture or consortium; or
- (b) sole proprietorship;

"entity conducting business with the Institution" means an entity that contracts or applies or tenders for the sale, lease or supply of goods or services to the Province;

"Family member" means a person's -

- (a) spouse; or
- (b) child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption or some other legal arrangement (as the case may be);

"intermediary" means a person through whom an interest is acquired, and includes a representative or agent or any other person who has been granted authority to act on behalf of another person;

"Institution" means –

a provincial department or provincial public entity listed in Schedule 3C of the Act;

"Provincial Government Western Cape (PGWC)" means

- (a) the Institution of the Western Cape, and
- (b) a provincial public entity;

"RWOEE" means -

Remunerative Work Outside of the Employee's Employment

"spouse" means a person's -

- (a) partner in marriage or civil union according to legislation;
- (b) partner in a customary union according to indigenous law; or
- (c) partner with whom he or she cohabits and who is publicly acknowledged by the person as his or her life partner or permanent companion.

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7. Regulation 13(c) of the Public Service Regulations (PSR) 2016, effective 1 February 2017, prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the Public Finance Management Act.
 - a) Therefore, by 31 January 2017 all employees who are conducting business with an organ of state should either have:
 - (i) resigned as an employee of the government institution or;
 - (ii) cease conducting business with an organ of state or;
 - (iii) resign as a director/shareholder/owner/member of an entity that conducts business with an organ of state.
8. Any legal person, or their family members, may make an offer or offers in terms of this invitation to bid. In view of potential conflict of interest, in the event that the resulting bid, or part thereof, be awarded to family members of persons employed by an organ of state, 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 Institution.
9. The bid of any bidder may be disregarded if that bidder or any of its directors abused the institution's supply chain management system; committed fraud or any other improper conduct in relation to such system; disclosure is found not to be true and complete; or failed to perform on any previous contract.
10. 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). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.
11. 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 authorises 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.
12. Communication between partners in a joint venture or consortium will not be construed as collusive bidding.

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13. 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.

| SECTION A DETAILS OF THE ENTITY | | |
|---------------------------------|--|------|
| | CSD Registration Number | MAAA |
| | Name of the Entity | |
| | Entity registration Number (where applicable) | |
| | Entity Type | |
| | Tax Reference Number | |

Full details of directors, shareholder, member, partner, trustee, sole proprietor or any persons having a controlling interest with a right or entitlement to share in profits, revenue or assets of the entity should be disclosed in the Table A below.

TABLE A

| FULL NAME | DESIGNATION (Where a director is a shareholder, both should be confirmed) | IDENTITY NUMBER | PERSONAL TAX REFERENCE NO. | PERCENTAGE INTEREST IN THE ENTITY |
|-----------|--|-----------------|----------------------------|-----------------------------------|
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SECTION B: DECLARATION OF THE BIDDER'S INTEREST

The supply chain management system of an institution must, irrespective of the procurement process followed, prohibit any award to an employee of the state, who either individually or as a director of a public or private company or a member of a close corporation, seek to conduct business with the WCG, unless such employee is in an official capacity a director of a company listed in Schedule 2 or 3 of the PFMA as prescribed by the Public Service Regulation 13(c).

Furthermore, an employee employed by an organ of state conducting remunerative work outside of the employee's employment should first obtain the necessary approval by the delegated authority (RWOOE), failure to submit proof of such authority, where applicable, may result in disciplinary action.

| | | | |
|------------|--|----|-----|
| B1. | Are any persons listed in Table A identified on the CSD as employees of an organ of state? (If yes, refer to Public Service Circular EIM 1/2016 to exercise the listed actions) | NO | YES |
| B2. | Are any employees of the entity also employees of an organ of state? (If yes complete Table B and attach their approved "RWOOE") | NO | YES |
| B3. | Are any family members of the persons listed in Table A employees of an organ of state? (If yes complete Table B) | NO | YES |

TABLE B

Details of persons (family members) connected to or employees of an organ of state should be disclosed in Table B below.

| FULL NAME OF EMPLOYEE | IDENTITY NUMBER | DEPARTMENT/ ENTITY OF EMPLOYMENT | DESIGNATION/ RELATIONSHIP TO BIDDER** | INSTITUTION EMPLOYEE NO./ PERSAL NO. (Indicate if not known) |
|-----------------------|-----------------|--|---|--|
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SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

To enable the prospective bidder to provide evidence of past and current performance.

| | | | |
|------------|--|----|-----|
| C1. | Did the entity conduct business with an organ of state in the last twelve months? (If yes complete Table C) | NO | YES |
|------------|--|----|-----|

C2. TABLE C

Complete the below table to the maximum of the last 5 contracts.

| NAME OF CONTRACTOR | PROVINCIAL DEPARTMENT OR PROVINCIAL ENTITY | TYPE OF SERVICES OR COMMODITY | CONTRACT/ ORDER NUMBER | PERIOD OF CONTRACT | VALUE OF CONTRACT |
|---|--|----------------------------------|---------------------------|-----------------------|----------------------|
| | | | | | |
| | | | | | |
| | | | | | |
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| | | | | | |
| C3. Is the entity or its principals listed on the National Database as companies or persons prohibited from doing business with the public sector? | | | | | NO YES |
| C4. Is the entity or its principals listed on the National Treasury Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)? | | | | | NO YES |
| <i>(To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445.)</i> | | | | | |
| C5. If yes to C3 or C4, were you informed in writing about the listing on the database of restricted suppliers or Register for Tender Defaulters by National Treasury? | | | | NO | YES N/A |
| C6. Was the entity or persons listed in Table A convicted for fraud or corruption during the past five years in a court of law (including a court outside the Republic of South Africa)? | | | | NO | YES |
| C7. 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? | | | | NO | YES |

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SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT

This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.

I, hereby swear/affirm;

- i. that the information disclosed above is true and accurate;
- ii. that I have read understand the content of the document;
- iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
- iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, 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;
- v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and
- vi. that there have been no consultations, communications, agreements or arrangements made with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

DULY AUTHORISED REPRESENTATIVE'S SIGNATURE

I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down his/her answers in his/her presence:

- 1.1 Do you know and understand the contents of the declaration? ANSWER:
- 1.2 Do you have any objection to taking the prescribed oath? ANSWER:
- 1.3 Do you consider the prescribed oath to be binding on your conscience? ANSWER:.....
- 1.4 Do you want to make an affirmation? ANSWER:
2. I certify that the deponent has acknowledged that he/she knows and understands the contents of this declaration, which was sworn to/affirmed and the deponent's signature/thumbprint/mark was place thereon in my presence.

.....
SIGNATURE FULL NAMES Commissioner of Oaths

Designation (rank) ex officio: Republic of South Africa

Date:..... Place

Business Address:

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PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

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 (TENDERERS) MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT AND THE CODES OF GOOD PRACTICE

1. DEFINITIONS

- 1.1 **"acceptable tender"** means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.
- 1.2 **"affidavit"** is a type of verified statement or showing, or in other words, it contains a verification, meaning it is under oath or penalty of perjury, and this serves as evidence to its veracity and is required for court proceedings.
- 1.3 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 1.4 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 1.5 **"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;
- 1.6 **"bid"** means a written offer on the official bid documents or invitation of price quotations and "tender" is the act of bidding /tendering;
- 1.7 **"Code of Good Practice"** means the generic codes or the sector codes as the case may be;
- 1.8 **"consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 1.9 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;

- 1.10 **"EME"** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.
- 1.11 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 1.12 **"Large Enterprise"** is any enterprise with an annual total revenue above R50 million;
- 1.13 **"non-firm prices"** means all prices other than "firm" prices;
- 1.14 **"person"** includes a juristic person;
- 1.15 **"price" means an amount of money tendered for goods or services, and** includes all applicable taxes less all unconditional discounts;
- 1.16 **"proof of B-BBEE status level contributor"** means-
- (a) The B-BBEE status level certificate issued by an authorized body or person;
 - (b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or
 - (c) Any other requirement prescribed in terms of the Broad- Based Black Economic Empowerment Act.
- 1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;
- 1.18 **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 1.19 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 1.20 **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- 1.21 **"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;
- 1.22 **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 1.23 **"the Regulations"** means the Preferential Procurement Regulations, 2022;

- 1.24 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 11 October 2013;
- 1.25 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 1.26 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

2. GENERAL CONDITIONS

- 2.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 2.2 Preference point system for this bid:
- (a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
 - (b) Either the 80/20 or 90/10 preference point system will be applicable to this tender
(delete whichever is not applicable for this tender).
- 2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:
- (a) Price; and
 - (b) B-BBEE Status Level of Contribution.
- 2.4 The maximum points for this bid are allocated as follows:

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

- 2.5 Failure on the part of a bidder to fill in, sign this form and submit in the circumstances prescribed in the Codes of Good Practice either a B-BBEE Verification Certificate issued by a Verification Agency accredited by the South African Accreditation System (SANAS) or an affidavit confirming annual total revenue and level of black ownership together with the bid or an affidavit issued by Companies Intellectual Property Commission, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

- 2.6 The organ of state 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 organ of state.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the **bidder obtaining the highest number of total points** will be awarded the contract.
- 3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.
- 3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:
- (a) points out of 80 for price; and
 - (b) 0 points out of 20 for B-BBEE
- 3.4 Points scored must be rounded off to the nearest 2 decimal places.
- 3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.
- 3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4.1 POINTS AWARDED FOR PRICE

4.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM

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

| 80/20 | or | 90/10 |
|---|----|---|
| $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ | or | $P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ |

Where

P_s = Points scored for price of bid under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

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

5.1 POINTS AWARDED FOR PRICE

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

80/20

or

90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

$$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

or

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

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

- 6.1 In terms of WCG interim strategy, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

| B-BBEE Status Level of Contributor | Number of points (90/10 system) | Number of points (80/20 system) |
|------------------------------------|---------------------------------|---------------------------------|
| 1 | 10 | 20 |
| 2 | 9 | 18 |
| 3 | 6 | 14 |
| 4 | 5 | 12 |
| 5 | 4 | 8 |
| 6 | 3 | 6 |
| 7 | 2 | 4 |
| 8 | 1 | 2 |
| Non-compliant contributor | 0 | 0 |

- 6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission
- 6.3 A **QSE that is less than 51 per cent (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.
- 6.4 A **QSE that is at least 51 per cent black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

- 6.5 A **large enterprise** must submit a valid, original or originally certified copy of a B-BBEE Verification Certificate issued by a verification agency accredited by SANAS.
- 6.6 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 6.7 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate for every separate tender.
- 6.8 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

7. BID DECLARATION

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

8. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPH 6

- 8.1 B-BBEE Status Level of Contribution..... = *(maximum of 20 points)*

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 6.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or an affidavit confirming annual total revenue and level of black ownership in terms of the relevant sector code applicable to the tender.

9. SUB-CONTRACTING

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

- 9.1.1 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? **YES/NO** *(delete which is not applicable)*

- 9.1.2 Sub-contracting relates to a **particular** contract and if sub-contracting is applicable, the bidder to state in their response to a particular RFQ that a portion of that contract will be sub-contracted.

10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity:

10.2 VAT registration number:

10.3 Company Registration number:

10.4 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

[SELECT APPLICABLE ONE]

10.5 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-BBEE status level of contribution indicated in paragraph 7 above, qualifies the company/ firm for the preference(s) shown and I/we acknowledge that:

- (a) The Western Cape Government reserves the right to audit the B-BBEE status claim submitted by the bidder.
- (b) As set out in Section 13O of the B-BBEE Act as amended, any misrepresentation constitutes a criminal offence. A person commits an offence if that person knowingly:
 - (i) misrepresents or attempts to misrepresent the B-BBEE status of an enterprise;
 - (ii) provides false information or misrepresents information to a B-BBEE Verification Professional in order to secure a particular B-BBEE status or any benefit associated with compliance to the B-BBEE Act;
 - (iii) provides false information or misrepresents information relevant to assessing the B-BBEE status of an enterprise to any organ of state or public entity; or
 - (iv) engages in a fronting practice.
- (c) If a B-BBEE verification professional or any procurement officer or other official of an organ of state or public entity becomes aware of the commission of, or any attempt to commit any offence referred to in paragraph 10.5 (a) above will be reported to an appropriate law enforcement agency for investigation.

- (d) Any person convicted of an offence by a court is liable in the case of contravention of 10.5 (b) to a fine or to imprisonment for a period not exceeding 10 years or to both a fine and such imprisonment or, if the convicted person is not a natural person to a fine not exceeding 10 per cent of its annual turnover.
- (e) The purchaser may, if it becomes aware that a bidder may have obtained its B-BBEE status level of contribution on a fraudulent basis, investigate the matter. Should the investigation warrant a restriction be imposed, this will be referred to the National Treasury for investigation, processing and imposing the restriction on the National Treasury's List of Restricted Suppliers. The bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, may 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.
- (f) The purchaser may, in addition to any other remedy it may have –
 - (i) disqualify the person from the bidding process;
 - (ii) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (iii) 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; and
 - (iv) forward the matter for criminal prosecution.
- (g) The information furnished is true and correct.
- (h) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 2 of this form.

SIGNATURE(S) OF THE BIDDER(S):

DATE:

ADDRESS:

.....

WITNESSES:

1.

2.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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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.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of liability**
- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation 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.

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

Js General Conditions of Contract (revised July 2010)