



## **NATIONAL LIBRARY OF SOUTH AFRICA**

228 Johannes Ramokhoase Street  
Private Bag X397  
Pretoria  
0001

5 Queen Victoria Street  
Cape Town  
8001

**APPOINTMENT OF A SERVICE PROVIDER FOR TRAVEL MANAGEMENT AGENCY FOR THE NATIONAL LIBRARY OF SOUTH AFRICA (NLSA) FOR A PERIOD OF THIRTY - SIX (36) MONTHS.**

**ISSUED DATE:**

**16 FEBRUARY 2023**

**CLOSING DATE: 10 MARCH 2023**

**TIME: 11H00**

**Bid No: NLSA.40/2022-2023.**

**VALIDITY PERIOD: 120 DAYS**

**BID DOCUMENTS MAY BE:**

**DEPOSITED IN THE TENDER BOX SITUATED AT (STREET ADDRESS)**

**NLSA OFFICES, 75 THABO SEHUME STREET OR 228 JOHANNES RAMOKHOASE  
PRETORIA CBD**

**COMPILED BY: .....**

**NAME OF THE COMPANY.....**

**PHYSICAL ADDRESS/RESIDENTIAL**

**ADDRESS.....**

**TELEPHONE NUMBER.....**

**EMAIL ADDRESS.....**



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Should you want to deliver Bid documents, please note that the NLSA opens at **08:00** and closes at **17:00**. Upon the submission of the Bid Documents Service Providers are requested to sign the register at the Reception.

#### BID DOCUMENTS ARE AVAILABLE ON:

- NLSA website ([www.nlsa.ac.za](http://www.nlsa.ac.za))

**NB.** Completed Bid Documents must be deposited at one of the following Campuses address;

ADRESS	CLOSING DATE	TIME
NLSA Pretoria Campus, No 75 Thabo Sehume Street, or 228 Johannes Ramokhoase Street, PTA CBD.		11H00

## **1. BACKGROUND**

- 1.1 The National Library of South Africa, hereafter referred to as the NLSA, is a world class African National Library and Information Hub. The NLSA is responsible for collecting, recording, preserving, and making available, the national documentary heritage of South Africa. The NLSA promotes awareness, appreciation, and access to published documents, nationally and internationally, and in doing so, contributes to the development and prosperity of South Africa. The NLSA has Campuses in Pretoria and Cape Town.

## **2. SCOPE OF WORK**

- 2.1 Provide NLSA with the Travel Management Services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels.
- 2.2 Achieve significant cost savings for NLSA without any degradation in the services.
- 2.3 Appropriately contain NLSA s risk and traveller risk.

## **3. TRAVEL VOLUMES**

The current NLSA total volumes per annum includes air travel, accommodation, car hire, conference, etc. The table below details the number of transactions for the financial year **2022/2023** as follows:

<b>Service Category</b>	<b>Estimated Number of Transactions per annum</b>	<b>Estimated Expenditure per annum</b>
Travel and accommodation	6 193 371,34	6,500,000.00

Note: These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

## **4. NLSA REQUIRED SERVICES:**

### **4.1 Air Travel**

- 4.1.1 Plan, arrange and amend domestic and international travel bookings.
- 4.1.2 Negotiate discounts on tariffs for air travel with all available airline companies.

- 4.1.3 Negotiate maximum corporate travel rands or credits, on accumulated expenditure for air travel with all available airline companies.

#### **4.2 Vehicle Rental**

- 4.2.1 Book vehicles with car rental companies and amending any confirmed bookings if necessary.
- 4.2.2 Negotiate discounts on tariffs or reduced tariffs with all available companies.
- 4.2.3 Negotiate maximum corporate credits/points, on accumulated expenditure for vehicle rental with all available vehicle rental companies.

#### **4.3 Train and Bus Travel**

- 4.3.1 Book and amend train and bus travel arrangements.
- 4.3.2 Negotiate discounts on tariffs or reduced tariffs with all available companies.

#### **4.4 Accommodation**

- 4.4.1 Plan, arrange and amend accommodation with any hotel group, private hotel, or other available establishment, for example guesthouse or lodges.
- 4.4.2 Negotiate discounts on tariffs or reduced tariffs with all available hotel groups, private hotels, or other accommodation facilities.
- 4.4.3 Negotiate maximum corporate credits/points, on accumulated expenditure for accommodation with all available accommodation facilities.
- 4.4.4 Conferences facilities arrangements including venue management.
- 4.4.5 Plan, arrange, book and amend conference requirements with any hotel group, private hotel or other available establishment.
- 4.4.6 Negotiate discounts on tariffs or reduced tariffs with all available accommodation facilities.
- 4.4.7 Manage any other venue related logistics.

#### **4.5 Shuttle Services**

- 4.5.1 Plan, arrange, book, and amend shuttle service requirements.
- 4.5.3 Negotiate discounts on tariffs or reduced tariffs with all available suppliers.
- 4.5.3 24-Hour Service related to travel and accommodation.
- 4.5.4 The bidder must be prepared to make available the abovementioned services on a 24-hour basis. The travel agent must indicate their official operating times.

#### **4.6 VISA processing**

- 4.6.1 Processing of visa applications.

#### **4.7 General**

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation to the following:

- a. The travel services will be provided to all Travellers travelling on behalf of NLSA, locally and internationally. This will include employees and contractors, consultants, and clients where the agreement is that NLSA is responsible for the arrangement and cost of travel.
- b. Provide travel management services during normal office hours of the NLSA (Monday to Friday 8h00 – 17h00) and provide after hours and emergency services as stipulated in the scope of work.
- c. Familiarisation with current NLSA travel business processes.
- d. Familiarisation with current travel suppliers and negotiated agreements that are in place between NLSA and third parties. Assist with further negotiations for better deals with travel service providers.
- e. Familiarisation with current NLSA Travel Policy, National Travel Management Regulations and Guidelines and implementations of controls to ensure compliance.
- f. Penalties incurred because of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- g. Provide a facility for NLSA to update their travellers' profiles.
- h. Manage the third-party service providers by addressing service failures and complaints against these service providers.
- i. Consolidate all invoices from travel suppliers.
- j. Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

#### **4.8 Travel Management Company's roles and responsibilities**

##### **4.8.1 Reservations**

The Travel Management Company will:

- a. Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel Booker and traveller via the agreed communication medium.
- b. Always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel Booker.

- c. 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.
- d. Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.
- e. Book the negotiated discounted fares and rates where possible.
- f. Must 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.
- g. Book parking facilities at the airports where required for the duration of the travel.
- h. Respond timely and process all queries, requests, changes, and cancellations timeously and accurately.
- i. Must be able to facilitate group bookings (e.g., for meetings, conferences, events, etc.)
- j. Must issue all necessary travel documents, itineraries, and vouchers timeously to traveller(s) prior to departure dates and times.
- k. Advise the Traveller of all visa and inoculation requirements well in advance.
- l. Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- m. Facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.
- n. Note that, unless otherwise stated, all cases include domestic, regional, and international travel bookings.
- o. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- p. Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by NLSA are **non-commissionable**, where commissions are earned for NLSA bookings all these commissions should be returned to NLSA on a quarterly basis.
- q. Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by NLSA.

- r. Timely submission of proof that services have been satisfactorily delivered (invoices) as per NLSA's instructions

#### **4.8.2 Air Travel**

- a. The TMC must be able to book full-service carriers as well as low-cost carriers.
- b. The TMC will book the most cost-effective fares possible for domestic travel.
- c. For international flights, the airline which provides the most cost effective and practical routings may be used.
- d. The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- e. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- f. Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.
- g. The TMC will also assist with the booking of charters for VIPs utilising the existing transversal term contract where applicable as well as the sourcing of alternative service providers for other charter requirements.
- h. The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- i. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fares where applicable.
- j. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- k. Assist with lounge access if and when required.

#### **4.8.3 Accommodation**

- a. The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- b. The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller.

- c. This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with NLSA's travel policy.
- d. NLSA travellers may only stay at accommodation establishments with which NLSA has negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or NLSA.
- e. Accommodation vouchers must be issued to all NLSA travellers for accommodation bookings and must be invoiced to NLSA as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.
- f. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- g. Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

#### **4.8.4 Car Rental and Shuttle Services**

- a. The TMC will book the approved category vehicle in accordance with the NLSA Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel, and venue).
- b. The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- c. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages, and accidents, etc.
- d. For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.
- e. The TMC will book transfers in line with the NLSA Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- f. The TMC should manage shuttle companies on behalf of the NLSA and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.
- g. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.



#### **4.8.5 After Hours and Emergency Services**

- a. The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.
- b. A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.
- c. After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and Public Holidays.
- d. A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- e. The TMC must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

#### **4.8.6 Communication**

- a. The TMC may be requested to conduct workshops and training sessions for Travel Bookers of NLSA.
- b. All enquiries must be investigated, and prompt feedback be provided in accordance with the Service Level Agreement.
- c. The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel management company in one smooth continuous workflow.

#### **4.8.7 Financial Management**

- a. The TMC must implement the rates negotiated by NLSA with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- b. The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to NLSA for payment within the agreed period.
- c. Enable savings on total annual travel expenditure and this must be reported, and proof provided during monthly and quarterly reviews.
- d. The TMC will be required to offer a 30-day bill-back account facility to institutions should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices NLSA for the services rendered.
- e. Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.

- f. Consolidate Travel Supplier bill-back invoices.
- g. The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to NLSA's Financial Department on the agreed time period (e.g., weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
- h. Ensure Travel Supplier accounts are settled timeously.

#### **4.8.8 Technology, Management Information and Reporting**

- a. The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- b. The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.
- c. All management information and data input must be accurate.
- d. The TMC will be required to provide the NLSA with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.
- e. Reports must be accurate and be provided as per NLSA's specific requirements at the agreed time. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).
- f. NLSA may request the TMC to provide additional management reports.
- g. Reports must be available in an electronic format for example spreadsheets.
- h. Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:
  - 1. Travel
    - a) After hours' Report;
    - b) Compliments and complaints;
    - c) Consultant Productivity Report;
    - d) Long term accommodation and car rental;
    - e) Extension of business travel to include leisure;
    - f) Upgrade of class of travel (air, accommodation and ground transportation);
    - g) Bookings outside Travel Policy.
  - 2. Finance

- a) Reconciliation of commissions/rebates or any volume driven incentives;
- b) Creditor's ageing report;
- c) Creditor's summary payments;
- d) Daily invoices;
- e) Reconciled reports for Travel Lodge card statement;
- f) No show report;
- g) Cancellation report;
- h) Receipt delivery report;
- i) Monthly Bank Settlement Plan (BSP) Report;
- j) Refund Log;
- k) Open voucher report, and
- l) Open Age Invoice Analysis.

The TMC will implement all the necessary processes and programs to ensure that all the data is always secure and not accessible by any unauthorised parties.

#### **4.8.9 Account Management**

- a. An Account Management structure should be put in place to respond to the needs and requirements of the NLSA and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.
- b. The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the NLSA's account.
- c. The necessary processes should be implemented to ensure good quality management and always ensuring Traveller satisfaction.
- d. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.
- e. Ensure that the NLSA's Travel Policy is enforced.
- f. Customer satisfaction surveys must be conducted in a quarterly basis to measure the performance of the TMC.
- g. Ensure that workshop/training is provided to Travellers and/or Travel Bookers
- h. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

#### **4.8.10 Value Added Services**

The TMC must provide the following value-added services:

a. Destination information for regional and international destinations:

- i. Health warnings;
- ii. Weather forecasts;
- iii. Time management;
- iv. Places of interest;
- v. Visa information;
- vi. Travel alerts;
- vii. Location of hotels and restaurants;
- viii. Information including the cost of public transport;
- ix. Rules and procedures of the airports;
- x. Business etiquette specific to the country;
- xi. Airline baggage policy; and
- xii. Supplier updates.

b. Electronic voucher retrieval via web and smart phones;

c. SMS notifications for travel confirmations;

d. Travel audits;

e. Global Travel Risk Management;

f. VIP services for Executives that include but is not limited to check-in support.

#### **4.8.11 Cost Management**

- a. The National Treasury cost containment initiative and the NLSA's Travel Policy is establishing a basis for a cost savings culture.
- b. It is the obligation of the TMC Consultant to always advise on the most cost-effective option, and costs should be within the framework of the National Treasury's cost containment instructions.
- c. 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.
- d. 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 NLSA's Travel Policy 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.

#### 4.8.12 Quarterly and Annual Travel Reviews

- a. Quarterly reviews are required to be presented by the Travel Management Company on all NLSA travel activity in the previous three-month period. These reviews are comprehensive and presented to NLSA's SCM and Finance team as part of the performance management reviews based on the service levels.
- b. Annual Reviews are also required to be presented to NLSA's Senior Executives.
- c. These Travel Reviews will include without limitation reporting requirements in the National Treasury Instruction Note 7 of 2022-23 (Cost Containment Measures related to Travel & Subsistence) may be used as minimum.

#### 4.8.13 Office Management

The TMC to ensure high quality service to be always delivered to the NLSA's travellers. The TMC is required to provide NLSA with highly skilled and qualified human resources of the following roles but not limited to:

- a. Senior Consultants
- b. Intermediate Consultants
- c. Junior Consultants
- d. Travel Manager (Operational)
- e. Finance Manager / Branch Accountant
- f. Admin Back Office (Creditors / Debtors/Finance Processors)
- g. Strategic Account Manager (per hour)
- h. System Administrator (General Admin)

### 5. SUBMISSION FORMAT

Bid proposals should be submitted in the following format as indicated in the table below.

Table of content	Yes/No
<b><u>Part A</u></b> <ul style="list-style-type: none"><li>• The executive summary not exceeding five (5) pages detailing proposal's offering, the approach, and the value proposition.</li><li>• Detailed CVs of the proposed account manager and travel coordinators</li></ul>	

to be assigned (the CV's should include relevant qualifications and experience related to travel and accommodation services).

### **1. Service Standards**

- ✓ Outline the service standards that NLSA can expect to receive for the following services:
- ✓ Air Travel
- ✓ Vehicle rental
- ✓ Train and Bus Travel
- ✓ Accommodation
- ✓ Conferences facilities and arrangements including venue management
- ✓ Shuttle Services
- ✓ Visa processing
- ✓ 24 Hour Service related to travel and accommodation
- ✓ Communicating confirmation of bookings/notices to travellers

1.1 A detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

1.2 A detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

### **2. Provision of the following information on reservations:**

2.1 Manage all reservations and bookings - Describe how all travel reservations/ bookings are handled e.g., hotel (accommodation); car rental; flights etc. This will include, without limitation, an example of a detailed complex itinerary confirmation that includes air, car, hotel, passport requirement, confirmation numbers and additional proof of competency.

2.2 Manage group bookings - Describe your capabilities for handling group bookings (e.g. for meetings, conferences, events etc.). Please specify if these bookings would be done by the TMC or outsourced

2.3 Directly negotiated rates - Negotiated airline fares, accommodation

establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by NLSA are non-commissionable, where commissions are earned for NLSA bookings, all these commissions should be returned to NLSA on a quarterly basis.

2.4 Describe how these specific rates will be secured. Describe any automated tools that will be used to assist with maintenance and processing of the said negotiated rates

2.5 Manage airline reservations - Describe in detail the process of booking the most cost-effective and practical routing for the traveller. This will include, without limitation, the refund process and how you manage the unused non-refundable airline tickets, your ability to secure special airline services for traveller(s) including preferred seating, waitlist clearance, special meals, travellers with disabilities, etc.

2.6 After-hours and emergency services - The bidder must have capacity to provide reliable and consistent after hours and emergency support to traveller(s). Please provide details/ Standard Operating Procedure of your after-hour support e.g.

- how it is accessed by Travellers,
- where it is located, centralized/ regionalised, in-country (owned)/ outsourced etc.
- is it available 24/7/365
- Reminders to NLSA to process purchase orders within 24 hours to reduce queries on invoices

### **3. Provision of information on Communication**

3.1 Describe how you will ensure that travel bookers are informed of the travel booking processes.

3.2 Describe your communication process where the traveller, travel co-ordinator/booker and travel management company will be linked in one smooth continuous workflow.

### **4. Provision of information on Financial Management**

4.1 Describe how you will implement the negotiated rates and maximum allowable rates established either by the NLSA or the National Treasury.

4.2 Describe how you will manage the 30-day bill-back account facility.

4.3 Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities.

4.4 Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to NLSA.

**5. Provision of information on Technology, management information and reporting**

5.1 Describe the proposed booking system e.g., Global Distribution System (GDS), Online Booking Tool (OBT) or Self-Booking tool (SBT).

5.2 Describe how travel consultants' access and book web airfares i.e. non-GDS inventories (low cost carriers/ consolidators), and hotel web rates.

5.3 Describe how you will manage data and management information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, transaction level data, etc

5.4 Give actual examples of standard reports that you currently have available. Give an indication if reports can be customised.

5.5 Provide a description of all technology and reporting products proposed for NLSA.

5.6 Can the TMC comply with the NLSA's monthly reporting requirement as prescribed by National Treasury. See Monthly Reporting Template Prescribed by National Treasury Instruction No 7 of 2022-23.

**6. Provision of information on Account Management**

6.1 Provide the proposed Account Management structure / organogram.

6.2 Describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service.

6.3 Describe how queries, requests, changes, and cancellations will be handled. What is your mitigation and issue resolution process? Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure must be submitted.

6.4 What is in place to ensure that the NLSA's travel Policy is enforced.

6.5 How will you manage the service levels in the SLA and how will you go about doing customer satisfaction surveys?

6.6 Indicate what workshops/training will be provided to Travellers and /or



<p>Travel Bookers</p> <p><b>7. Provision of information on Value added Services</b></p> <p>7.1 Provide information on any value-added services your company can offer.</p> <p><b>8. Provision of information on Cost Management</b></p> <p>8.1 Describe your detailed strategic cost savings plan for the contract duration. What items do you target for maximum cost savings results?</p> <p>8.2 Describe how you will assist the NLSA to realise cost savings on annual travel spend.</p> <p><b>9. Provision of information on Quarterly and annual travel reviews</b></p> <p>9.1 Provide a sample of a Quarterly and Annual review used for performance management during the life cycle of the contract.</p> <p><b>10. Provision of information on Office Management</b></p> <p>10.1 Provide an overview of your back-office processes detailing the degree of automation for air tickets workflow, ground arrangements and bill back workflow.</p> <p>10.2 Describe roles and responsibilities of assigned staff. Please provide the management hierarchy.</p> <p>10.3 Describe type of training provided to travel agency personnel</p> <p>10.4 Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes, etc.</p>	
<p><b><u>Part B</u></b></p> <p>Fully completed and signed SBD forms</p> <p>General conditions of contract</p>	
<p><b><u>Part C</u></b></p> <p>Breakdown of Pricing Offer (Vat Inclusive).</p>	

## **6. NLSA'S RIGHTS**

6.1 The NLSA is entitled to amend any Bid conditions, bid validity period, bid terms of reference, or extend the Bid's closing date, all before the bid closing date. All bidders, to whom the bid documents have been issued and where the NLSA has record of such Bidders, may be advised in writing of such amendments in good time. Any such changes will also be posted on the NLSA's website under the relevant Bid information. All prospective Bidders must, therefore, ensure that they visit the NLSA's website regularly and before they submit their Bid response to ensure that they are kept updated on any amendments in this regard.

## **7. DURATION OF THE PROJECT**

7.1 The duration of this travel management service project is for a period of (36) thirty-six months.

## **8. CONDITIONS OF THE BID**

8.1 The NLSA reserves the right not to accept the lowest proposal.

8.2 The NLSA reserves the right to appoint one or more Bidder.

8.3 The NLSA reserves the right not to award the contract.

8.4 The NLSA reserves the right to have any documentation, submitted by the successful Bidder verified or inspected by any other person or organisation.

8.5 The General Conditions of Contract will be applicable to this Bid.

8.6 Bidders must obtain at least 70 points in the technical evaluation to qualify for the next stage of evaluation

8.7 The NLSA will not be held responsible for any costs incurred by the Bidder in the preparation and submission of the Bid.

8.8 Bidders are to ensure that the personnel assigned to the engagement per the Bid proposal are the same that will be responsible to perform work should the Bidder be successful. Should the respective personnel not be available, the Bidder will be required to replace said personnel with another individual with the same or greater experience, qualifications and exposure.

8.9 The NLSA reserves the right to conduct site visits at the Bidder's corporate offices and/or at client sites if so required.

- 8.10 The Bidder may be required to prepare for a possible presentation should the NLSA require such and the Bidder shall be notified thereof in good time before the actual presentation date. Such presentation may include a practical demonstration of services as called for in this Bid.
- 8.11 Bids shall be valid for a period of 120 days and may be extended at the discretion of the NLSA.
- 8.12 The NLSA reserves the right to check the service rendered by the successful bidder at any time, in order to ensure that the service is rendered in accordance with the conditions of the contract.
- 8.13 The NLSA reserves the right to require from the successful bidder that any of his/her employees be replaced, in which case the employee must leave the site forthwith. The NLSA will not be held responsible for any damage or claims, which may arise because of this, and is indemnified against such claims and legal expenses.
- 8.14 The NLSA will have the right to check daily whether sufficient personnel are available on site in terms of the conditions of the contract. A roll call will be conducted by the NLSA.
- 8.15 Bidders will be required to provide on annual basis the following certificates: COIDA, UIF and Retirement benefit fund and any other compliance certificate/s as deemed applicable from time to time.

## **9. INDEPENDENCE AND CONFIDENTIALITY**

- 9.1 The NLSA shall be the owner of all the reports compiled by the successful bidder in the execution of this tender.
- 9.2 These reports shall be regarded as confidential and may not be made available to any unauthorised person or institution without written consent of the NLSA.

## **10. EVALUATION CRITERIA**

### **10.1 Mandatory - Pre evaluation**

- 10.1.1 It is a requirement that the bidder is a member of ASATA (Association of South African Travel Agents) and/or IATA. Proof of such membership must be submitted with the bid at closing date and time.

**NB: Failure to submit the documents listed above shall result in the disqualification of your Bid.**

- 10.2 Bidders must provide proposal in hardcopy and soft copy format (in a USB or CD disk) in sealed envelopes that are clearly marked.

- 10.3 Standard documents to be submitted:

- 10.3.1 SBD 4, SBD 6.1

### 10.3.2 CSD Report

10.4 Bidders will be evaluated in two stages, provided mandatory requirements have been met. First stage will be the technical evaluation and second will be price evaluation.

10.5 Bidders are expected to obtain a minimum of **seventy (70) points** out of one hundred (100) points available to proceed to the next evaluation stage. Failure to obtain the prescribed points will automatically disqualify the bidder from proceeding to the next evaluation stage.

10.6 In terms of Regulation 5 of the Preferential Procurement Regulations of 2022/23, Gazette Number 47452 dated 4 November 2022 pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 80/20-preference point in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- Specific Goals (maximum of 20 points):

The following formula will be used to calculate the points out of 80 for price in respect of an invitation for a tender, inclusive of all applicable taxes

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

Where-

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration; and

$P_{\min}$  = Price of lowest acceptable tender.

- Specific Goals (maximum of 20 points):

100% Black owned companies (20 points), 10 points for less than 100% black owned

TECHNICAL EVALUATION CRITERIA	SCORE	WEIGHT
<p><b>1. Knowledge and experience of the company in the provision of travel and accommodation services.</b></p> <p>The Bidder must provide contactable reference/recommendation letters of similar work/experience in the following format; signed</p> <ul style="list-style-type: none"> <li>• The letters on client's letterhead;</li> <li>• Description of the work done;</li> <li>• Value of the work completed;</li> <li>• Duration of contract; and</li> <li>• Contact details of the client.</li> </ul>	<p>5 = Above five (5) years' experience based on letters provided</p> <p>4 = Five (5) years' experience based on letters provided</p> <p>3 = Four (4) years' experience based on letters provided</p> <p>2 = Three (3) years' experience based on letters provided</p> <p>1 = Two (2) years and less experience based on letters provided</p> <p>0 = No information provided</p>	40
<p><b>2. Approach and Methodology</b></p> <ul style="list-style-type: none"> <li>• Provide an overview of your back-office processes detailing the degree of automation for air tickets workflow, ground arrangements and bill back workflow.</li> <li>• Describe roles and responsibilities of assigned staff. Please provide the management hierarchy.</li> <li>• Describe type of training provided to travel agency personnel</li> <li>• Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes.</li> <li>• Describe how you will ensure that travel bookers are informed of the travel booking processes. Describe how you will implement the negotiated rates and maximum allowable rates established either by the NLSA or the National Treasury.</li> </ul>	<p>5 = All 9 bullets addressed. Information is provided.</p> <p>4 = 6-8 bullets addressed. Information is provided.</p> <p>3 = 3-5 bullets addressed. Information is provided.</p> <p>2 = 2 bullets addressed. Information is provided. teams experience</p> <p>1 = Only one out of 9 points address</p> <p>0 = No information provided</p>	20

<ul style="list-style-type: none"> <li>• Describe how you will manage the 30-day bill-back account facility.</li> <li>• Describe how pre-payments will be handled where it is required for smaller Bed &amp; Breakfast /Guest House facilities.</li> <li>• Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to NLSA</li> <li>• Describe your communication process where the traveller, travel co-ordinator/booker and travel management company will be linked in one smooth continuous workflow</li> </ul>		
<b>3. Work Experience of Team members</b> Provide detailed CV's which confirms the years of relevant experience as required <ul style="list-style-type: none"> <li>• Experience of team in providing travel management services</li> </ul>	5 = Above 15 years' teams experience 4 = 11 – 15 years' teams experience 3 = 5 – 10 years' teams experience 2 = 1 – 4 years' teams experience 1 = Less than 1 year teams experience 0 = No information provided	40
<b>Maximum points</b>		<b>100</b>
<b>Minimum points required to proceed to next evaluation stage</b>		<b>70%</b>

## 11. Phase 2: Pricing Evaluation

11. Provide a detailed costing (on the company letterhead) as per the services required below (paragraph 4). **ALL COST ITEMS MUST BE INCLUSIVE OF VAT.**

**N.B** The transaction fee must be a fixed amount per 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.

Item	Description	Cost per transaction including VAT	Cost per transaction (including VAT and escalation costs)	Cost per transaction (including VAT and escalation costs)
		Year 1	Year 2	Year 3
		R	R	R
1.	Air Travel-International			
2.	Air Travel-Regional			
3.	Air Travel-Domestic			
4.	Air Travel-International (Re-issue)			
5.	Air Travel-Regional (Re-issue)			
6.	Air Travel-Domestic (Re-issue)			
7.	Refunds-Air Domestic			
8.	Refunds-Air Regional			
9.	Refunds-Air International			
10.	Car Rental-Domestic			
11.	Car Rental-Regional			
12.	Car Rental-International			
13.	Transfers/Shuttle-Domestic			
14.	Transfers/Shuttle-Regional			
15.	Transfers/Shuttle-International			

16.	Accommodation-Domestic			
17.	Accommodation-Regional			
18.	Accommodation-International			
19.	Bus/Coach Bookings			
20.	Train bookings-International Visa Assistance			
21.	Provision of documents and advice			
22.	Courier services for travel documentation			
23.	SMS notifications			
24.	Parking bookings			
25.	Cancellations			
26.	Changes to bookings			
27.	After Hours Services			
28.	Additional Ad-hoc reports (per report)			
29.	Customised reports (per report)			
30.	Travel Lodge card Reconciliation			
31.	Debtors Account Reconciliation			
32.	Other (Specify)			
33.	Other (Specify)			



34.	Other (Specify)			
35.	Other (Specify)			

## 12. ENQUIRIES

**All inquiries regarding this BID must be directed to the SCM Officer:**

For any BID related inquiries please send to the following email address quoting the Bid Number, Bid Description as a Reference; [lebogang.maleka@nlsa.ac.za](mailto:lebogang.maleka@nlsa.ac.za) and for technical related inquiries to [lebaone.lobelo@nlsa.ac.za](mailto:lebaone.lobelo@nlsa.ac.za) OR (012) 402 3017/3020

**Submitted by:**

\_\_\_\_\_  
BSC Chairperson

**Recommended by:**

\_\_\_\_\_  
Chairperson BAC

**Approved by:**

\_\_\_\_\_  
National Librarian and CEO

## INVITATION TO BID

**3      YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/PUBLIC ENTITY)**

BID NUMBER: NLSA 40/2022-2023      CLOSING DATE: 10 March 2023      CLOSING TIME: 11:00

DESCRIPTION: Appointment of Service Provider for Travel Management Agency for the National Library of South Africa (NLSA) for a Period of Thirty six Months (36 Months).

**The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).**

BID DOCUMENTS MAY BE POSTED TO: Tender Box at the offices of NLSA in Pretoria 75 Thabo Sehume Street, Pretoria CBD

.....  
OR

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

.....  
228 Johannes Ramokhoase Street, or Pretoria 75 Thabo Sehume Street, Pretoria CBD  
.....

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

TELEPHONE NUMBER    CODE.....NUMBER.....

CELLPHONE NUMBER    .....

FACSIMILE NUMBER    CODE .....NUMBER.....

E-MAIL ADDRESS.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)      YES    or    NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)      N/A

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS);

OR.....

A REGISTERED AUDITOR .....

[TICK APPLICABLE BOX]

ARE YOU THE ACCREDITED REPRESENTATIVE  
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE.....

CAPACITY UNDER WHICH THIS BID IS SIGNED.....

TOTAL BID PRICE.....TOTAL NUMBER OF ITEMS OFFERED.....

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Department:** National Library of South Africa.....

**Contact Person:** Maleka Lebogang.....

**Tel:** 012 402 3017/9766/9770.....

**Fax:** N/A.....

**E-mail address:** Lebogang.Maleka@nlsa.ac.za.....

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:** Lebaone Lebole.....

**Tel:** 012 401 9775.....

**Fax:** N/A.....

**E-mail address:** Lebaone.lebole@nlsa.ac.za .....

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: ..... BID NO.: .....

CLOSING TIME 11:00 CLOSING DATE.....

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)		
1.	The accompanying information must be used for the formulation of proposals.			
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....		
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)			
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE	
	.....	R.....	.....	.....
	.....	R.....	.....	.....
	.....	R.....	.....	.....
	.....	R.....	.....	.....
	.....	R.....	.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT			
	.....	R.....	.....	days
	.....	R.....	.....	days
	.....	R.....	.....	days
	.....	R.....	.....	days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.			
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT

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

TOTAL: R.....

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

Bid No.: .....

Name of Bidder: .....

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

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

TOTAL: R.....

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

\*[DELETE IF NOT APPLICABLE]

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### 3 DECLARATION

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

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

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

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

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

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

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

.....	.....
Signature	Date
.....	.....
Position	Name of bidder



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

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

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

### 1. GENERAL CONDITIONS

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

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

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

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

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

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

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

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

The maximum points for this tender are allocated as follows:

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

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

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

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

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

.....	
<b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT:**

**GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**3 GOVERNMENT PROCUREMENT**

**GENERAL CONDITIONS OF CONTRACT  
July 2010**

## **NOTES**

The purpose of this document is to:

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

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

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

## **TABLE OF CLAUSES**

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security



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

### **General Conditions of Contract**

## 1. Definitions

1. The following terms shall be interpreted as indicated:

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

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

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. **Application** 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. **General** 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

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

5. **Use of** 5.1 The supplier shall not, without the purchaser's prior written consent, contract disclose the contract, or any provision thereof, or any specification, documents 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 inspection.

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** 7.1 Within thirty (30) days of receipt of the notification of contract award, **security** 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** 10.1 Delivery of the goods shall be made by the supplier in accordance with and documents 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** 13.1 The supplier may be required to provide any or all of the following services 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** 18.1 No variation in or modification of the terms of the contract shall be amendments 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** 21.1 Delivery of the goods and performance of services shall be made by ~~supplier's~~ the supplier in accordance with the time schedule prescribed by the ~~performance~~ 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 23.1** The purchaser, without prejudice to any other remedy for breach of for default 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 antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

**25. Force**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the Majeure 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** 26.1 The purchaser may at any time terminate the contract by giving written for insolvency 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** 27.1 If any dispute or difference of any kind whatsoever arises between the Disputes 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 28.1** Except in cases of criminal negligence or willful misconduct, and in liability

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 29.1** The contract shall be written in English. All correspondence and other language documents pertaining to the contract that is exchanged by the parties

shall also be written in English.

**30. Applicable 30.1** The contract shall be interpreted in accordance with South African law 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** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the

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

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

**33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

- 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.