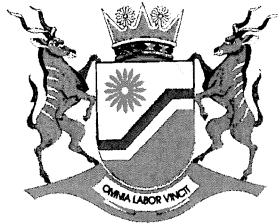


# MPUMALANGA PROVINCIAL GOVERNMENT



## DEPARTMENT OF EDUCATION

**BID NUMBER: EDU/161/23/MP**

**APPOINTMENT OF A PANEL OF SERVICE  
PROVIDER(S) FOR A PERIOD OF THREE (03)  
YEARS TO PROVIDE PROFESSIONAL  
EXPERTISE ON LEGAL AND LITIGATION  
SERVICES IN THE MPUMALANGA  
DEPARTMENT OF EDUCATION**

ISSUED BY:

Department of Education  
Private Bag X11341  
Mbombela  
1200

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

## PART A INVITATION TO BID

|  |   |               |   |  |  |
|--|---|---------------|---|--|--|
| <b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF EDUCATION</b>   |   |               |   |  |  |
| BID NUMBER:  | EDU/161/23/MP   | CLOSING DATE: | 12 SEPTEMBER 2023   | CLOSING TIME:  | 12H00  |
| DESCRIPTION  | APPOINTMENT OF A PANEL OF SERVICE PROVIDER(S) FOR A PERIOD OF THREE (03) YEARS TO PROVIDE PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION SERVICES IN THE MPUMALANGA DEPARTMENT OF EDUCATION |               |   |  |  |
| <b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>   |   |               |   |  |  |
| <b>MBOMBELA</b> , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, <b>PIET RETIEF</b> , No. 11 Measroch Street, Piet Retief Office, <b>KWAMHLANGA</b> , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre <b>EVANDER</b> , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, <b>BUSHBUCKRIDGE</b> , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), <b>MIDDELBURG</b> , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, <b>MALELANE</b> , 24 Air Street, Malelane, <b>ELUKWATINI</b> , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini. |   |               |   |  |  |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>  |   |               | <b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>                    |  |  |
| CONTACT PERSON   | Ms. Moira Olivier   |               | CONTACT PERSON  | Mr. SJ Sifunda   |  |
| TELEPHONE NUMBER   | 013 766 5278  |               | TELEPHONE NUMBER  | 013 766 5919   |  |
| FACSIMILE NUMBER   |   |               | FACSIMILE NUMBER  |  |  |
| E-MAIL ADDRESS   | m.olivier@mpuedu.gov.za   |               | E-MAIL ADDRESS  | S.Sifunda@mpuedu.gov.za                                  |  |
| <b>SUPPLIER INFORMATION</b>  |   |               |   |  |  |
| NAME OF BIDDER   |   |               |   |  |  |
| POSTAL ADDRESS   |   |               |   |  |  |
| STREET ADDRESS   |   |               |   |  |  |
| TELEPHONE NUMBER   | CODE  |               | NUMBER  |  |  |
| CELLPHONE NUMBER   |   |               |   |  |  |
| FACSIMILE NUMBER   | CODE  |               | NUMBER  |  |  |
| E-MAIL ADDRESS   |   |               |   |  |  |
| VAT REGISTRATION NUMBER  |   |               |   |  |  |
| SUPPLIER COMPLIANCE STATUS   | TAX COMPLIANCE SYSTEM PIN:  |               | OR  | CENTRAL SUPPLIER DATABASE No:                            | MAAA   |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?   | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF]  |               | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? |  | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| <b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>  |   |               |   |  |  |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  |   |               |   | <input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA?  |   |               |   | <input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?   |   |               |   | <input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  |   |               |   | <input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  |   |               |   | <input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.  |   |               |   |  |  |

## PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

# **MPUMALANGA DEPARTMENT OF EDUCATION**



**APPOINTMENT OF A PANEL OF SERVICE PROVIDER(S)  
FOR A PERIOD OF THREE (3) YEARS TO PROVIDE  
PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION  
SERVICES IN THE MPUMALANGA DEPARTMENT OF  
EDUCATION.**

## 1. DEFINITIONS

In this policy, unless the context indicates otherwise the following words or expressions have the same meanings as defined below: -

|      |                                    |  |
|------|------------------------------------|--|
| 1.1. | <b>Bid/tender</b>                  | The concepts are used interchangeably and they mean a written offer, in the form determined by instruction, in response to an invitation for the procurement of goods or services or other form of procurement through a price quotation, a competitive bidding process, a limited bidding process or any other method envisaged in the Act. |
| 1.2. | <b>Bidder/tenderer</b>             | means any person/enterprise which has submitted a bid or Request for Quotation.  |
| 1.3. | <b>Black people</b>                | as defined in the Broad-Based Black Economic Empowerment Act, (Act No 53 of 2003), is a generic term which means Africans, Colored and people of Indian origins.   |
| 1.4. | <b>Conditions of Tender</b>        | means a document of the procedures, the manner in which those engaged in the procurement process are to behave, the obligations of the tenderer and the undertakings of the Department. The Conditions of Tender are distinct from both the General Conditions of Contract and the Special Conditions of Contract.                           |
| 1.5. | <b>Contract</b>                    | means any written agreement entered into between the purchaser (i.e. Departments) and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein as defined in the General Conditions of Contract.                           |
| 1.6. | <b>Contract price</b>              | means the price payable to the supplier under the contract for the full and proper performance of contractual obligations as defined in the General Conditions of Contract.  |
| 1.7. | <b>Consortium or Joint Venture</b> | means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.  |
| 1.8. | <b>Disability</b>                  | in respect of a person, means, a permanent impairment of a physical, intellectual, or sensory function which results in restricted, or lack of ability to perform an activity in the manner or within the range considered normal for a human being.   |
| 1.9. | <b>Department</b>                  | means Mpumalanga Department of Education   |
| 1.10 | <b>Functionality</b>               | means the measurement according to predetermined norms of a service or commodity designed to be practical and useful, working or operating, taking into account quality, reliability, viability, skills, experience and durability of a service or commodity.  |

|      |  |   |
|------|--|---|
| 1.11 | <b>Historically Disadvantaged Individual</b> | means a South African citizen who due to the apartheid policy had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, (Act No. 110 of 1983) or the Constitution of the Republic of South Africa, (Act No 200 of 1993) ("the Interim Constitution"); and/or who is a female; and/or who has a disability: provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a Historically Disadvantaged Individual.   |
| 1.12 | <b>Highest acceptable tender</b>             | means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders.   |
| 1.13 | <b>Individual</b>                            | means a natural person.   |
| 1.14 | <b>Lowest acceptable tender</b>              | means a tender that complies with all specifications and conditions of tender and that has the lowest price compared to other tenders.  |
| 1.15 | <b>Local Labour</b>                          | means South African residents who permanently reside in the specific municipal or sub-catchment area of jurisdiction where the project is implemented.  |
| 1.16 | <b>Price</b>                                 | means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;  |
| 1.17 | <b>80/20-point scoring system</b>            | refers to the point system prescribed in regulations 3 and 5 of the regulations issued in terms of section 5 of the PPPFA.  |
| 1.18 | <b>Rand value</b>                            | means the total estimated value of a contract in Rand, calculated at the time of the tender invitation.   |
| 1.19 | <b>Small, Medium, and Micro Enterprises</b>  | means small businesses; as defined in section 1 of the National Small Business Act, (Act No, 102 of 1996). A separate and distinct business Department , including co-operative enterprises and non-governmental organisations, managed by one or more owners which (including its branches or subsidiaries, if any) is predominantly carried on in any sector or sub sector of the economy mentioned in Column I of the Schedule and which can be classified as a micro-, a very small, a small or a medium enterprise by satisfying criteria 40 as mentioned in columns 3; 4 and 5 of the Schedule opposite the smallest relevant size or class (as mentioned in column 2 of the Schedule). |
| 1.20 | <b>Specific goals</b>                        | means specific goals as contemplated in section 2(1)(d) of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development   |

**BID SPECIFICATION FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF (3) YEARS TO PROVIDE PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION SERVICES IN THE MPUMALANGA DEPARTMENT OF EDUCATION**

|      |   |   |
|------|---|---|
|      |   | Programme as published in Government Gazette No. 16085 dated 23 November 1994.  |
| 1.21 | <b>Tender for income-generating contracts</b> | means a written offer in the form determined by a Department 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 Department and a third party that produces revenue for the Department, and includes, but not limited to, leasing and disposal of assets and concession contracts. However, direct sales and disposal of assets through public auctions are excluded. |
| 1.22 | <b>The Act</b>                                | means the Preferential Procurement Policy Framework Act (Act No. 5 of 2000).  |
| 1.23 | <b>The Constitution</b>                       | means the Constitution of the Republic of South Africa (Act No.108 of 1996).  |

## **ABBREVIATIONS**

|            |  |
|------------|--|
| GCC        | General Conditions of Contract   |
| HOD        | Head of Department   |
| SANAS      | South African National Accreditation System  |
| SDA        | Service Delivery Areas   |
| SABS       | South African Bureau of Standards  |
| PPPFA      | Preferential Procurement Policy Framework Act (Act No.5 of 2000)                                   |
| SLA        | Service Level Agreement  |
| PFMA       | Public Finance Management Act (Act no 1 of 1999)   |
| SCC        | Special Conditions of Contract   |
| HPCSA      | Health Professions Council of South Africa   |
| CSD        | Central Supplier Database  |
| VAT        | Value Added Tax  |
| CIPRO/CIPC | Companies and Intellectual Property Registration Office/Companies Intellectual Property Commission |
| SBD        | Standard Bidding Document  |
| VAT        | Value Added Tax  |
| BEC        | Bid Evaluation Committee   |
| BSC        | Bid Specification Committee  |
| SARS       | South African Revenue Service  |
| MDoE       | Mpumalanga Department of Education   |
| RDP        | Reconstruction and Development Programme   |
| DTI        | Department of Trade and Industry   |
| RSA        | Republic of South Africa   |
| CSI        | Corporate Social Investment  |
| SCM        | Supply Chain Management  |
| SMME       | Small, Medium and Micro Enterprises  |



**BID SPECIFICATION FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF (3) YEARS TO PROVIDE PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION SERVICES IN THE MPUMALANGA DEPARTMENT OF EDUCATION**

---

|            |  |
|------------|--|
| SLA        | Service Level Agreement: It refers to a document that outlines a commitment between a service provider and a client, including details of the service, the standards the provider must adhere to, and the metrics to measure the performance |
| GCC        | General Conditions of Contract: They contain the general legal terms that will apply to the contract that comes into places when the government awards you the opportunity   |
| SCC        | Are supplementary to those of the General Conditions of Contract however, where the Special Conditions of Contract are in conflict with the General Conditions, the Special Conditions take precedence.                                      |
| 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   |

## SECTION A: GENERAL SPECIFICATION

### **1. Purpose**

The Mpumalanga Department of Education intends to acquire services from a panel of service providers who will provide professional expertise on legal and litigation services.

### **2. Background**

As per the mandate, the primary function and the role of the Mpumalanga Department of Education (MDoE) is to provide an education of progressively high quality for all and by so doing lay a strong foundation for the development of all our people's talents and capabilities and advance the democratic transformation of society.

MDoE is the custodian of basic education in the Mpumalanga Province and is exposed to various forms of litigations and legal engagements with both the Public and Private sectors. The Legal Services has the responsibility of co-ordination, monitoring and evaluation of Litigations, Contracts and related matters for the MDoE.

The Public Finance Management (Act No 1 of 1999 as amended) requires the Accounting Officer:

- To ensure that the Department has and maintains effective, efficient and transparent systems, risk management and internal controls.
- To be responsible for the effective, efficient, economical and transparent use of the resources;
- To take effective and appropriate steps to prevent losses resulting from criminal conduct; and
- To take effective and appropriate disciplinary steps against an official who commits or undermines the financial management and internal control systems of the Department or commits and fails to comply with the legislative prescripts.

The above based on, the Department intends to appoint a panel of service provider(s) to render professional expertise on, legal and litigation services.

### **3. Contract Period**

The successful service provider(s) will be contracted on the panel for the period of three (3) years.

### **4. Scope of Work**

The Department requires services in the following areas:

#### **4.1. Legal services**

The service provider(s) shall support and assist the Department through:

- Provision of an expert professional team to implement and support a strengthened and streamlined Case Handling Solution for the Client.
- Delivery of expert litigation support services for all matters referred.
- Development of a comprehensive database of historical and current litigation matters.
- Litigating on behalf of the Department on cases referred for further handling.
- Conducting of analysis on matters referred by the Department for handling.
- Submission of reports on new / developing and existing trends affecting the legal directorate and its sector and in general.
- Provision of expert professionals to evaluate and establish risk mitigation tracking dashboards to support the Directorate to allow for enhanced efficiency in quality assurance in monitoring and evaluation.
- The provision of sound legal opinions and memorandum of advice in all areas of the law and on any other operational matters.
- Support the respective Labour Relations and Legal units with investigation of cases, collection of outstanding debts and negotiation of reasonable settlement agreements (where necessary).
- Provide monthly reports on the progress of matters referred meeting the requirements of the applicable Accounting Framework – Modified Cash Standard (MCS).

## **5. Deliverables or Project Output or Outcome**

### **5.1. Legal Services**

The deliverables at the end of the project are the following:

- i. Assist the Department minimized and/ or avoid litigations.
- ii. Carryout litigations on behalf of the Department.
- iii. Advice on preventive strategies to avoid recurrence.
- iv. Carryout Skills transfer programs to the benefit of the in-house legal advisors or any other nominated officials/ nominees of the Department.
- v. Eradicating the current backlog of cases.

## **6. Role and Responsibility**

To be outlined on the terms of reference to each approved engagement and SLA.

## **7. Confidentiality of Information**

All the working papers and reports remain the property of MDoE and shall not be disclosed without the express approval of the Accounting Officer.

## SECTION B - BIDDING PROCESS IN TERMS OF PPPFA

### 8. Bid Evaluation Methods

#### 8.1. Stage 1: Evaluation in terms of compulsory returnable documents

#### 8.2. Returnable Documents

##### 8.2.1. Compulsory returnable documents.

Each bid shall comprise of a clearly indexed (indicating whether each of the documents outlined in the table below is attached and referenced) proposal with the tender documents as follows:

| Section | Compulsory Returnable Documents  | Attached?<br>YES/NO |
|---------|--|---------------------|
| 1.      | The bid document must be securely bound.   |                     |
| 2.      | Invitation to bid (SBD1) must be fully completed.  |                     |
| 3.      | Fully completed Pricing Schedule.  |                     |
| 4.      | Submission of fully completed SBD 4.   |                     |
| 5.      | A Valid Pin Letter from SARS. Failure to submit a Valid Pin Letter, in the bid proposal, will be considered non-responsive and shall be disqualified. <b>Tax status must remain compliant for the duration of the bid validity period.</b>   |                     |
| 6.      | Copy of CIPRO/ CICPC Company registration documents indicating each director as a shareholder.   |                     |
| 7.      | If the bidder is a joint venture/ consortium/ partnership, an originally certified copy of such agreement and a resolution by each party to such a venture/ consortium/ partnership authorising its participation in the bid should attached. If the bidder is not a joint venture/ consortium / partnership this section is not compulsory. |                     |

| Section | Compulsory Returnable Documents   | Attached?<br>YES/NO |
|---------|---|---------------------|
| 8.      | Originally certified copies of the identified documents/ valid passports of all directors of the entity. The date on the certificate must not be older than one (1) month from the closing date of the bid. |                     |
| 9.      | Attach an admission certificate from the Legal Practice Council ( <b><u>Law Society of South Africa</u></b> ).  |                     |
| 10.     | Attach a detailed Central Supplier Database (CSD) report.   |                     |

**NB: BIDDERS WHO FAIL TO ATTACH ANY OF THE COMPULSORY REQUIREMENTS AS LISTED ABOVE WILL BE DISQUALIFIED. ALL SUBMITTED DOCUMENTS MUST BE INITIALED ON EACH PAGE , FAILURE TO DO SO WILL LEAD TO DISQUALIFICATION.**

#### 8.2.2. Supporting Documents

| Section | Supporting Documents   | Attached?<br>Yes/No |
|---------|--|---------------------|
| 1.      | <b>A total of 20 preference points shall be allocated on a proportional basis to enterprise owned by historically disadvantaged persons or individuals.</b> For an enterprise that is owned by a disabled person(s), the bidding documents must include a copy of the confirmation from a Professional Medical Officer registered with the Health Professions Council of South Africa (HPCSA). |                     |
| 2.      | Evidence of experience in the form of appointment letter(s) and or contracts(s) proving that the service provider has been practicing for at least five years. This proof of experience must be accompanied by a confirmation letter from a relevant institution signed by the Accounting Officer/ Accounting Authority or his/ her delegate.  |                     |
| 3.      | Summarized curriculum vitae (CV) of lead Director / Partner with contactable references in a form of reference letters /   |                     |

|    |  |  |
|----|--|--|
|    | <p>appointment letters / purchase orders proving that the Partner / Director / Associate has been practicing in the field. This information should be accompanied by the following;</p> <ul style="list-style-type: none"> <li>• Certified copies of Qualifications.</li> <li>• Certified copies of professional certificates.</li> <li>• Letters from professional bodies confirming the registration status.</li> <li>• Certificate of appearance in the High Court.</li> </ul>  |  |
| 4. | <p>Summarized curriculum vitae (CV) of Professionals or Candidates with contactable references in a form of reference letters / appointment letters / purchase orders proving that the Partner / Director / Associate has been practicing in the field.</p> <p>This information should be accompanied by the following;</p> <ul style="list-style-type: none"> <li>• Certified copies of Qualifications.</li> <li>• Certified copies of professional certificates.</li> <li>• Letters from professional bodies confirming the registration status.</li> <li>• Certificate of appearance in the High Court</li> </ul> |  |
| 5. | <p>Summarized curriculum vitae (CV) of team members with contactable references in a form of reference letters / appointment letters/purchase orders proving that team members have been practicing in the field of investigation / auditing / IT or fields relevant to forensic investigation work.</p> <p>This information should be accompanied by the following;</p> <ul style="list-style-type: none"> <li>• Certified copies of Qualifications.</li> <li>• Certified copies of professional certificates.</li> </ul>   |  |

**NB! ALL ATTACHED DOCUMENTS MUST BE INITIALED ON EACH PAGE. FAILURE OF THE BIDDER TO ATTACH ANY OF THE ABOVE SUPPORTING DOCUMENTS WILL RESULT IN ZERO POINTS DURING THE EVALUATION PROCESS.**

**8.3. Stage 2: Evaluation of functionality and preferential point system.**

The evaluation shall be conducted by the Department on the basis of functionality (100), price (80), and equity ownership (20).



### 8.3.1. Legal Services (Functionality for Legal Services).

| Item No.   | Criteria Description  | Score   | Weighting | Evidence   |
|------------|---|---|-----------|--|
|            | <b>FUNCTIONALITY</b>  |   |           |  |
| <b>1</b>   | <b>Company experience in conducting similar projects</b>  | <b>45</b>   |           |  |
| <b>1.1</b> | <p><b>a.</b> The service provider should have a minimum of five (5) years of trading experience</p>   | <p><b>a.</b> Scoring as follows:<br/> 10 years or more = 15 points<br/> 6 to 9 years = 10 points<br/> 5 years = 8 points<br/> 4 years or less= 0 point</p>  | <b>15</b> | Company registration documents indicating the dates of registration, and milestones in the form of appointment letters proving that the service provider has been practicing for at least five years.  |
| <b>1.2</b> | <p><b>b.</b> The service provider should have a minimum of five (5) years' experience in the following Legal competencies:</p> <p><b>I.</b> General Litigation<br/> <b>II.</b> Labour Law and Employment Relations<br/> <b>III.</b> Alternative Dispute Resolution<br/> <b>IV.</b> Public Procurement Law</p> | <p><b>b.</b> Scoring as follows:<br/> 10 years or more = 30 points<br/> 6 to 9 years = 20 points<br/> 5 years = 10 points<br/> 4 years or less= 0 point</p> | <b>30</b> | Letter from the Accounting Authority of an Institution where the services related to the outlined Legal competencies were rendered proving that the service provider has been practicing for at least five years on all the competencies outlined. |

| Item No.   | Criteria Description  | Score  | Weighting | Evidence   |
|------------|---|--|-----------|--|
|            | <b>FUNCTIONALITY</b>  |  |           |  |
| <b>2</b>   | <b>Qualifications and Experience</b>  |  | <b>55</b> |  |
| <b>2.1</b> | <p><b>a.</b> The lead Director / Partner must have the following attributes:</p> <ul style="list-style-type: none"> <li>• B Proc or LLB</li> <li>• 10 years' experience post admission as an attorney at Senior Management level.</li> <li>• Good standing with their professional body (Legal Practice Council) / Fidelity fund certificate</li> <li>• Must have a right of appearance in High court.</li> </ul> | <p><b>a.</b> Scoring as follows:<br/>All four attributes = 15 Points<br/>Three or fewer attributes = 0 Points</p>  | <b>15</b> | <p><b>a.</b></p> <ul style="list-style-type: none"> <li>• Summarised curriculum vitae (CV) of lead Director / Partner with contactable references in a form of reference letters/appointment letters/purchase orders proving that the Partner / Director / Associate has been practicing in the field.</li> <li>• Certified copies of Qualifications</li> <li>• Certified copies of professional certificates</li> <li>• Letters from professional bodies confirming the registration status</li> <li>• Certificate of appearance in the High Court</li> </ul> |
|            | <p><b>b.</b> The service provider must demonstrate that it has capacity to draw a pool of professionals that meet the following requirements:</p> <ul style="list-style-type: none"> <li>I. Professionals (Minimum 3)</li> <li>• B Proc with Constitutional litigation or higher</li> </ul>   | <p><b>b.</b> Scoring as follows:<br/>I. Professionals:<br/> <ul style="list-style-type: none"> <li>• six or more = 20 points</li> <li>• four or more = 15 points</li> <li>• three or more = 10 points</li> <li>• two or less = 0 point</li> </ul> II. Candidates</p> | <b>40</b> | <p><b>b.</b></p> <ul style="list-style-type: none"> <li>• Summarized curriculum vitae (CV) of Professionals or Candidates with contactable references in a form of reference letters / appointment letters / purchase orders proving that the Partner / Director /</li> </ul>  |

**BID SPECIFICATION FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF (3) YEARS TO PROVIDE PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION SERVICES IN THE MPUMALANGA DEPARTMENT OF EDUCATION**

| <b>Item No.</b> | <b>Criteria Description</b>   | <b>Score</b>  | <b>Weighting</b> | <b>Evidence</b>  |
|-----------------|---|---|------------------|--|
|                 | <b>FUNCTIONALITY</b>  |   |                  |  |
|                 | <ul style="list-style-type: none"> <li>• 10 years' experience post admission as an attorney at Senior Management level.</li> <li>• Good standing with their professional body (Legal Practice Council) / Fidelity fund certificate</li> <li>• Must have a right of appearance in Higher courts.</li> </ul> <p>II. Candidates (Minimum 3)</p> <ul style="list-style-type: none"> <li>• B Proc or LLB or higher</li> <li>• Registration with Legal Council</li> </ul> | <ul style="list-style-type: none"> <li>• six or more = 20 points</li> <li>• four or more = 15 points</li> <li>• three or more = 10 points</li> <li>• two or less = 0 point</li> </ul> |                  | <p>Associate has been practicing in the field.</p> <ul style="list-style-type: none"> <li>• Certified copies of Qualifications</li> <li>• Certified copies of professional certificates</li> <li>• Letters from professional bodies confirming the registration status</li> <li>• Certificate of appearance in the High Court</li> </ul> |
|                 | <b>Overall Total Score</b>  |   | <b>100</b>       |  |

The points scored for functionality shall be calculated as follows:

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

#### **8.4. Phase II: Preference Points in terms of PPPFA**

##### **Evaluation in terms of the 80/20 preference point system**

Only the qualifying bids shall be evaluated further in terms of the 80/20 preference points system where 80 points will be used only for price and 20 points for the specific goals on equity ownership.

##### **Points allocation in terms of the preference points system**

The contract shall be awarded in terms of the Preferential Procurement Policy Framework Act 2000 (Act No. 5 of 2000). Responsive bids shall be adjudicated by the MDoE on the 80/20 preference points system in terms of which points are awarded to bidders(s) as follows

Points for price and specific goals on equity ownership:

|                                    |    |
|------------------------------------|----|
| Price                              | 80 |
| Specific goals on equity ownership | 20 |

The lowest acceptable bid shall obtain the maximum points for price. The other bids with higher prices shall proportionately obtain lower points. The final points for the selection of a preferred bidder shall be calculated as follows:

$$P_s = 80 \left[ \frac{1 - P_t - P_{min}}{P_{min}} \right]$$

Where:

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

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

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

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

A maximum of 20 points shall be awarded to a bidder(s) in respect of specific goals on equity ownership as contemplated in sub-regulation (2) of the PPPFA (Act No.5 of 2000) and section 8 of the MDoE Preferential Procurement Policy will be added to the points scored for price as calculated in accordance with sub-regulation (1) of the PPPFA (Act 5 of 2000).

Points will be awarded to the bidder(s) who attains the specific goals on equity ownership in accordance with the generic scorecard below:

| <i>Description</i>   | <i>Points (80/20)</i> |
|--|-----------------------|
| <i>Enterprises that are at least 51% that are black owned</i>      | 5                     |
| <i>Enterprises that are at least 51% women-owned</i>               | 5                     |
| <i>Enterprises that are at least 25% owned by disabled persons</i> | 5                     |
| <i>Enterprises with at least a 25% ownership by Youth</i>          | 5                     |
| <i>Non-compliant</i>   | 0                     |
| <b>Total Points</b>  | 20                    |

#### 8.4 Phase III: Recommendations

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

## SECTION C- SPECIAL CONDITIONS OF THE CONTRACT

### 9. Special Conditions

**This** bid and all contracts emanating thereof will be subject to the General Conditions of Contract (GCC) issued in accordance with Treasury Regulations 16A published in terms of the Public Finance Management Act (Act No 1 of 1999 as amended). The Special Conditions of Contract (SCC) are supplementary to those of the General Conditions of contract. However, where the Special Conditions of Contract are in conflict with the General Conditions, the Special Conditions take precedence.

#### 9.1 MPUMALANGA DEPARTMENT OF EDUCATION RESERVES THE RIGHT:

- 9.1.1 To award the bid to a bidder who has not scored the highest total number of points, only in accordance with section 2 (1)(f) of the PPPFA
- 9.1.2 To negotiate with one or more preferred bidder(s) identified during the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any bidder(s) who has not been awarded the status of being a preferred bidder(s).
- 9.1.3 To conduct site inspections, evaluations or assessment meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after the adjudication of the bid.
- 9.1.4 To correct any mistake in the bid documents or has occurred at any stage of the bidding process.
- 9.1.5 To cancel and/or terminate the bidding process at any stage, including after the closing date, and/or after presentations, and/or after evaluation and/or after the preferred bidder(s) have been identified.
- 9.1.6 To award to multiple bidders regardless of locality.
- 9.1.7 If the price offered by a bidder scoring the highest points is not market-related, the Department may not award the contract to the bidder(s).
- 9.1.8 To Negotiate a market related price with the bidder scoring the highest points.
- 9.1.9 If the bidder does not agree to a market-related price, to negotiate a market-related price with the bidder scoring the second highest points.
- 9.1.10 If the bidder scoring the second highest points does not agree to a market-related price, to negotiate a market-related price with the bidder scoring the third highest points.
- 9.1.11 If a market-related price is not agreed as envisaged, the Department may cancel the bid.
- 9.1.12 To inform the successful bidders to provide carriage as and when it is required.

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

- a) Act honestly, fairly and with due diligence, in the interests of the MDoE;
- b) Have and employ effectively the resources, procedures and appropriate systems for the proper rendering of the service;
- c) Act with circumspection and treat the MDoE fairly in a situation of conflicting interest;
- d) Comply with all applicable statutory or common law requirements that are applicable to the business;
- e) Make adequate disclosures of relevant material information including disclosures of actual or potential own interest, in relation to dealings with the MDoE;
- f) To conduct their business activities with transparency, and consistently uphold the interests and needs of the MDoE as a client before any other consideration; and
- g) To ensure that any information acquired by the bidder(s) from MDoE will not be used or disclosed without a written consent of the Department.

## **9.2 CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

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

- a) engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b) seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c) makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Mpumalanga Department of Education's officers, directors, employees, advisors or other representatives;
- d) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- e) pays or agrees to pay any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the



award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;

- f) has in the past engaged in any matter referred to above; or
- g) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at the National Treasury.

### **9.3 MISREPRESENTATION DURING THE LIFE CYCLE OF THE CONTRACT**

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

### **9.4 PREPARATION COSTS**

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

### **9.5 INDEMNITY**

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

## **9.6 PRECEDENCE**

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

## **9.7 LIMITATION OF LIABILITY**

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

## **9.8 TAX COMPLIANCE**

- 9.8.1 The supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Department. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services. Therefore, bidder(s) must be tax compliant when submitting their bids and must comply (throughout the contract period) with all applicable pieces of tax legislation- including but not limited to the Income Tax Act, 1962 (Act. No. 58 of 1962) and the Value Added Tax Act (Act. No. 89 of 1991).
- 9.8.2 The bid shall not be awarded to a bidder(s) who is not tax compliant. The Department reserves the right to withdraw an award, or cancel a contract concluded with a supplier if it is established that such a supplier was not tax compliant at the time of the award, or has submitted an invalid Tax Pin Letter.
- 9.8.3 It is a condition of contract that tax matters of the appointed supplier should be in good order, or proof is submitted confirming that satisfactory arrangements have been made with the South African Revenue Service (SARS). Tax Compliance is also applicable to foreign bidders.
- 9.8.4 Bidders are required to be registered on the Central Supplier Database (CSD) and the National Treasury shall verify the bidder's tax compliance status through the CSD. In the case of Consortia/Joint Ventures/Partnerships, each party must be registered on the CSD and its tax compliance status will be verified from this database. Failure to validate the tax clearance certificate in CSD system may invalidate the bid.

## **9.9 PROCUREMENT LEGISLATION**

The MDoE has a detailed evaluation methodology premised on Treasury Regulation 16A3 as promulgated under Section 76 of the Public Finance Management Act, PFMA (Act. No. 1 of 1999 as amended); the Preferential Procurement Policy Framework Act. PPPFA (Act. No. 5 of 2000) as well as the Broad-Based Black Economic Empowerment Act. BBBEE (Act. No. 53 of 2003).

## 9.10 TECHNICAL LEGISLATION AND /OR STANDARDS

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

## 9.11 VALIDITY PERIOD

The validity of the bid and the withdrawal of offers, after the closing date and time is **90** days. Any time or date in this bid is subject to change at the discretion of the MDoE. **The specification of a time or date in this bid** does not create an obligation on the part of MDoE to take any action or create any right in any way for any bidder to demand that any action should have been taken on the specific date. The bidder(s) accepts that if the MDoE extends the deadline for bid submission (the closing date) for any reason, the requirements of this bid apply equally to the extended deadline.

## 9.12 CONTACT AND COMMUNICATION

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

contents of the bid and such information confidential. The information must not be disclosed or used except for the purpose of developing a proposal in response to this bid.

#### **9.13 TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

No bid shall be awarded to a bidder(s) whose name (or any of his/her company members, directors, partners or trustees) appear on the Register of Tender Defaulters of the National Treasury or have been placed on the National Treasury's List of Restricted Suppliers. The Department reserves the right to withdraw an award, or to cancel a contract with a bidder should it be established, at any time, that the bidder(s) is blacklisted by the National Treasury or another government institution/agency.

#### **9.14 GOVERNMENT LAW**

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

#### **9.15 MONITORING**

The service provider will be required to submit performance or progress report or outcome.

#### **9.16 LATE BIDS**

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

#### **9.17 COUNTER CONDITIONS**

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

#### **9.18 FRONTING**

9.18.1. The Department supports the spirit of Broad Based Black Economic Empowerment and recognizes that real empowerment can only be achieved through individuals and businesses that conduct their affairs in accordance with the values of the Constitution of the Republic of South Africa (RSA) that is honesty, fairness, equity, transparency and rule of law. It is in this context that the Department frowns upon any form of fronting and corruption.

9.18.2. The Department, in ensuring honesty, as part of the bid evaluation process, will conduct or initiate the necessary enquiries in order to determine the accuracy of the representations made in the bid documents. Should any of the fronting

indicators in the Guidelines on Complex Structures and Transactions and Fronting, (Department of Trade and Industry), be established. The bidder(s) has the onus to prove that he/she is not involved in fronting. Failure to do so within a period of **14** days from the date of notification, may invalidate the bid / contract and result in a ban on business transactions with government/state for a period not exceeding **10** years.

#### **9.19 SUPPLIER DUE DILIGENCE**

The Department reserves the right to conduct supplier due diligence prior to final or at any time during the contract period.

#### **9.20 SUBMISSION OF BIDS**

- 9.20.1 Bid documents may either be posted to the address indicated in the tender bulletin or through preferably registered mail on or before the closing date and time.
- 9.20.2 Bid documents will only be considered if received by the Department before the closing date and time, regardless of the method used to send or deliver them to the Department.

**NB: Bidders are required to initial each page of the bid document and all other attachments at the bottom right hand corner.**

#### **9.21 PRESENTATION / DEMONSTRATION**

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

#### **9.22 DURATION OF THE CONTRACT**

The successful bidder(s) will be appointed for a period of **three (3)** years.

#### **9.23 QUANTITIES AND ESTIMATES**

- 9.23.1 Official orders will be placed on an as and when the service is required.
- 9.23.2 The Department will issue an official purchase order before the service is rendered

#### **9.24 AWARD CONDITIONS**

- 9.24.1 The Department reserves the right to award the bid to one or more than one bidder.
- 9.24.2 The Department may award the bid to a bidder that did not score the highest points only in accordance with section 2 (1)(f) of the PPPFA Act.
- 9.24.3 The Department further reserves the right to appoint or not to appoint a service provider(s) for this bid.

## **9.25 PAYMENT**

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

## SECTION D - PRICING SCHEDULE FOR THE PROCUREMENT

### **10. Pricing Limits**

The Bidding prices will be evaluated to an extent that they do not exceed the rates stipulated by the DPSA on its guide "Hourly Fee for Consultant". Limits/ Maximum rates.

***See published Price list:***

**NB: All maximum prices should be determined based all over- heads' rate as stipulated in the guide titled: Hourly Fee for Consultant (as attached or as amended from time to time) by the DPSA.**

## BID SPECIFICATION COMMITTEE SIGNATURES

| NAME          | PORTFOLIO   | SIGNATURE | DATE |
|---------------|-------------|-----------|------|
| MR SJ SIFUNDA | CHAIRPERSON |           |      |
| MR Q MBUYANE  | MEMBER      |           |      |
| MR R MGWENYA  | MEMBER      |           |      |
| MR M BHEMBE   | MEMBER      |           |      |
| MS M TEBEILA  | MEMBER      |           |      |
| MS B LESELE   | MEMBER      |           |      |
| MS E TSELA    | SECRETARY   |           |      |



**BID SPECIFICATION FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR A PERIOD OF (3) YEARS TO PROVIDE PROFESSIONAL EXPERTISE ON LEGAL AND LITIGATION SERVICES IN THE MPUMALANGA DEPARTMENT OF EDUCATION**

---

**RECOMMENDED/ NOT RECOMMENDED**

---

---

---

---

**MRS TF NTULI  
(CFO): CHIEF FINANCIAL OFFICER**

---

**DATE**

**APPROVED / NOT APPROVED**

---

---

---

---

**MRS. L.H MOYANE  
HEAD: EDUCATION**

---

**DATE**

**Application for a Tax Clearance Certificate****Purpose**Select the applicable option .....Tenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

|  |
|--|
|  |
|  |

**Particulars of applicant**Name/Legal name  
(Initials & Surname  
or registered name)Trading name  
(if applicable)ID/Passport no Company/Close Corp.  
registered no

Income Tax ref no PAYE ref no 7

VAT registration no 4 SDL ref no L

Customs code UIF ref no U

Telephone no Fax  
no

E-mail address

Physical address

Postal address

**Particulars of representative (Public Officer/Trustee/Partner)**

Surname

First names

ID/Passport no Income Tax ref no

Telephone no Fax  
no

E-mail address

Physical address

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

| Date started | Date finalised | Principal | Contact person | Telephone number | Amount |
|--------------|----------------|-----------|----------------|------------------|--------|
|--------------|----------------|-----------|----------------|------------------|--------|

**Audit**

Are you currently aware of any Audit investigation against you/the company?..... YES NO

If "YES" provide details

|  |
|--|
|  |
|  |

**Appointment of representative/agent (Power of Attorney)**I the undersigned confirm that I require a Tax Clearance Certificate in respect of  Tenders or  Goodstanding.I hereby authorise and instruct  to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent

**Declaration**

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

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer

**Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
  - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
  - without just cause shown by him, refuses or neglects to-
    - furnish, produce or make available any information, documents or things;
    - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

| Full Name | Identity Number | Name of institution | State |
|-----------|-----------------|---------------------|-------|
|           |                 |                     |       |
|           |                 |                     |       |
|           |                 |                     |       |
|           |                 |                     |       |
|           |                 |                     |       |
|           |                 |                     |       |
|           |                 |                     |       |

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

<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.

<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.

- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and 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**

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

1.3 Points for this tender 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     |
|--|------------|
| <b>PRICE</b>                                     | 80         |
| <b>SPECIFIC GOALS</b>                            |            |
| > 51% <i>black ownership</i>                     | 5          |
| > 51% <i>women ownership</i>                     | 5          |
| > 25% <i>ownership by disable person(s)</i>      | 5          |
| > 25% <i>ownership by youth</i>                  | 5          |
| <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 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

- $P_s$  = Points scored for price of tender under consideration
- $P_t$  = Price of tender under consideration
- $P_{min}$  = Price of lowest 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:



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

**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<br>(80/20 system)<br>(To be completed by the organ of state) | Number of points claimed<br>(80/20 system)<br>(To be completed by the tenderer) |
|---|---|---|
| > 51% black ownership                                       | 5   |   |
| > 51% women ownership                                       | 5   |   |
| > 25% ownership by disable person(s)                        | 5   |   |
| > 25% ownership by youth                                    | 5   |   |

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

4.2. Name of company/firm.....

4.3. Company registration number: .....

4.4. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
  - ☐ One-person business/sole propriety
  - ☐ Close corporation
  - ☐ Public Company
  - ☐ Personal Liability Company
  - ☐ (Pty) Limited
  - ☐ Non-Profit Company
  - ☐ State Owned Company
- [TICK APPLICABLE BOX]

4.5. 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 20 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

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

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

**DATE:** .....

**ADDRESS:** .....

.....  
.....  
.....  
.....

## DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

| <u>Description of services, works or goods</u> | <u>Stipulated minimum threshold</u> |
|--|-------------------------------------|
| _____  | _____ %                             |
| _____  | _____ %                             |
| _____  | _____ %                             |

**3. Does any portion of the goods or services offered have any imported content?**

(Tick applicable box)

|     |  |    |  |
|-----|--|----|--|
| YES |  | NO |  |
|-----|--|----|--|

**3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.**

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

| <b>Currency</b> | <b>Rates of exchange</b> |
|-----------------|--------------------------|
| US Dollar       |                          |
| Pound Sterling  |                          |
| Euro            |                          |
| Yen             |                          |
| Other           |                          |

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.**

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO. ....**

**ISSUED BY: (Procurement Authority / Name of Institution):**

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

|  |   |
|--|---|
| Bid price, excluding VAT (y)                                       | R |
| Imported content (x), as calculated in terms of SATS 1286:2011     | R |
| Stipulated minimum threshold for local content (paragraph 3 above) |   |
| Local content %, as calculated in terms of SATS 1286:2011          |   |

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

# **THE NATIONAL TREASURY**

**Republic of South Africa**



---

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

**July 2010**

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

**NOTES**

The purpose of this document is to:

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

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

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



## TABLE OF CLAUSES

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

## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

## **3. General**

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

## **4. Standards**

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

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

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

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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

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

#### 14. Spare parts

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

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

#### 15. Warranty

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

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

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

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

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

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

**16. Payment**

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

**17. Prices**

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

**18. Contract amendments**

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

**19. Assignment**

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

**20. Subcontracts**

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

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

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



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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

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

**30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

**31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

**33. National Industrial Participation Programme (NIP)**

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

**34 Prohibition of Restrictive practices**

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

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

Js General Conditions of Contract (revised July 2010)