



**REQUEST FOR PROPOSALS FOR APPOINTMENT A SERVICE
PROVIDER TO DEVELOP THE TRANSFORMATION CHARTER /
SECTOR CODE FOR THE PRIVATE SECURITY INDUSTRY FOR A
PERIOD OF 12 MONTHS**

[OPS/2022/003]

Date Issued: [16 SEPTEMBER 2022]

Closing date and time: [04 OCTOBER at 11:00]

**Virtual Compulsory Briefing Session: 26 SEPTEMBER 2022 at
10:00 (SERVICE PROVIDERS TO REGISTER FOR VIRTUAL
BRIEFING SESSION BY SENDING EMAILS TO
bids@psira.co.za NO LATER THAN 23 SEPTEMBER 2022).**

NB: The briefing session link will be shared with all interested service providers on 24 September 2022.

Bid Validity Period: [60 days]

TENDER BOX ADDRESS:

420 Witch-Hazel Avenue, Block B – Eco Glades 2 Office Park, Highveld Ext 70, Centurion



CHECKLIST OF COMPULSORY RETURNABLE SCHEDULES & DOCUMENTS/REQUIREMENTS

YES	NO	DOCUMENTATION
<input type="checkbox"/>	<input type="checkbox"/>	SBD 1: Invitation to Bid
<input type="checkbox"/>	<input type="checkbox"/>	Central Supplier Database (CSD) report to be submitted confirming the Bidders Tax compliance (The CSD report must not be older than 1 month from date of closure of the bid)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 3: Pricing Schedule
<input type="checkbox"/>	<input type="checkbox"/>	SBD 4: Declaration of Interest
<input type="checkbox"/>	<input type="checkbox"/>	SBD 6.1: Preference Claim Forms in terms of Preferential Procurement Regulations, evidence for BEE points claimed must be attached/provided
<input type="checkbox"/>	<input type="checkbox"/>	General Conditions of Contract (All pages to be initialled and last page signed by the bidder)
<input type="checkbox"/>	<input type="checkbox"/>	Terms of Reference (All pages to be initialled and last page signed by the bidder)
<input type="checkbox"/>	<input type="checkbox"/>	Attendance of Virtual Compulsory Briefing session

Sealed and clearly marked bids indicating the bid Reference No. i.e OPS/2022/003 must be deposited in the PSiRA Head Office tender box located at **420 Witch Hazel Avenue, Eco Glades, Block B2, Eco Park, Centurion, Pretoria**- before the closing date and time.

TERMS OF REFERENCE

APPOINTMENT A SERVICE PROVIDER TO DEVELOP THE TRANSFORMATION CHARTER / SECTOR CODE FOR THE PRIVATE SECURITY INDUSTRY FOR A PERIOD OF 12 MONTHS

1. INTRODUCTION

The strategic mandate of PSiRA originates from the Act and the regulations issued in terms of the Act. The Private Security Industry Regulatory Authority was established in terms of Section 2 of the Private Security Industry Regulation Act (56 of 2001) (PSiR Act) in 2002 and it is further a Schedule 3A Public Entity in terms of the Public Finance Management Act 1 of 1999 (PFMA). The primary objects of PSiRA are to regulate the private security industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest, and in the interest of the private security industry itself.

2. BACKGROUND

The Constitution of the Republic of South Africa, 1996, in particular section 9 thereof, (relating to equality and unfair discrimination), provides for the imperative of redressing historical and social inequalities. Despite significant progress since the establishment of a democratic government in 1994 through legislation the Broad-Based Black Economic Empowerment Act 53 of 2003 and other means, the private security industry remains characterised by racially based income and social services inequalities. This is not only unjust but inhibits South Africa's ability to achieve its full economic potential envisioned in the National Development Plan.

2.1. The challenges in transformation includes, *inter alia*, the following:

- 2.1.1. Black owned businesses continue to be significantly under-represented in sharing the private security market, whilst administrative and financial constraints restrict the ability of historically disadvantaged persons (HDP's) to

participate in the private security industry in general.¹ The ownership of large commercially driven private security businesses rests largely in white hands, with significant control of the private security market share.

2.1.2. While a high number of the workforce are from designated groups, the industry has not adequately addressed employment equity on management levels, with the result that the sector continues to be under-represented in terms of race and gender, with 25 856 Directors of security businesses being males as compared to 7537 female Directors.² There is limited participation of HDP's, particularly women, in control that have authority and have power to influence the strategic & operational direction of the businesses in the private security industry.

2.1.3. There is arguably limited investment and commitment in skills development and workplace training by the majority of security businesses. At tertiary education level in general, the occupation of a security service provider is also inadequately supported as a profession, combined with a lack of appreciation of the private security industry.

2.1.4. Although there may have been some reasonable efforts by certain companies to implement preferential procurement as required by section 217 of the Constitution, 1996 and subsequently the Preferential Procurement Policy Framework Act 5 of 2000, it can be accepted that most security companies have not made any progress in increasing spend on targeted suppliers or implementing appropriate preferential procurement policies and regulations drafted in terms thereof. There is also no significant evidence that the private security industry has recorded any progress in the growth of sustainable enterprises through enterprise development support.

¹ Discussion document towards crafting a Transformation Charter for the Private Security Industry of South Africa.

² PSiRA registration database.

- 2.2 In pursuit of its primary objects, section 3 of the PSIR Act also highlights a number of ancillary objects of PSiRA, including that the Authority is entrusted with the responsibility to “encourage ownership and control of security businesses by *persons historically disadvantaged through unfair discrimination*” and to *encourage equal opportunity employment practices in the private security industry*”.³
- 2.3 PSiRA believes that a positive and proactive response through the development and implementation of a Transformation Charter / Sector Code for the private security industry would, among other things, address inequalities in the sector, enhance growth, and generally unlock the sector’s potential in enhancing the fight against crime for the benefit of all South Africans.
- 2.4 Section 12 of the Broad-Based Black Economic Empowerment Act 53 of 2003 provides that the Minister of Trade and Industry must publish in the *Gazette*, a Transformation Charter for a particular sector of the economy, if the Minister is satisfied that the Charter -
- has been developed by major stakeholders in that sector; and
 - advances the objectives of the B-BBEE Act.
- 2.5 In addition, in order to promote the purpose of the B-BBEE Act, the Minister of Trade and Industry can also issue Codes of Good Practice on B-BBEE in terms of section 9(1), including Codes for specific sectors and guidelines for stakeholders in relevant sectors of the economy to draw up Transformation Charters for their respective sectors. A Transformation Charter published in *Gazette* becomes a Sector Code of Good Practice and shares the same status as the B-BBEE Codes of Good Practice, published by the Minister of Trade and Industry in terms of the B-BBEE Act, and is fully binding between and among businesses operating in the sector.

³ Section 3 of the Private Security Industry Regulation Act 56 of 2001.

2.6 A Transformation Charter or Sector Code for the private security industry must therefore -

- Constitute a framework and establish the principles upon which B- BBEE must be implemented in the industry.
- Establish targets and qualitative undertakings in respect of each element of B-BBEE; and
- Outline processes for implementing the commitments contained in the Charter, as well as mechanisms to monitor and report on progress.

2.7 It is PSiRA's view that a Charter or Sector Code for the private security industry will support Government's objectives to redress historical socio-economic inequalities and ensure broad-based economic empowerment and meaningful participation of HDP's in the private security industry.

3. PURPOSE AND OBJECTIVE

3.1. In order to facilitate the discussions and development of a Transformation Charter or Sector Code for the private security industry, PSiRA has decided to appoint an external service provider who has extensive knowledge and experience in B-BBEE strategy and the Broad Based Black Economic Empowerment Codes.

3.2. The following are key project objectives:

- 3.2.1. In consultation with the private security industry, develop a Transformation Charter or Sector Code for the private security sector, taking into consideration the different categories or sub-sectors of the private security industry.
- 3.2.2. Identify the current level of Transformation in the private security industry and develop a Transformation Index and B-BBEE scorecard based on the elements of transformation; and
- 3.2.3. Develop measurement tools for B-BBEE in the private security industry (including sub-sectors) based on the Sector Code.

3.2.4. Engage the Department of Trade and Industry for publication of Sector Code.

4. GENERAL BID CONDITIONS

4.1 All applicants are required to prepare a project proposal as part of the response to the request for quotation that, among other things, include:

- A proposal which conforms to the minimum requirements as set out in this document.
- Project Charter indicating project schedule with clear timeframes.
- Data collection instruments to be used.
- Data analysis and presentation of results/findings.
- Method of dissemination of findings and recommendations.
- Indication of capacity and ability to perform the project.
- List of similar projects undertaken by the service provider in the past, including the list of at least 3 references or client base where they have rendered a similar successful service in the past.
- List of project team and their experience (attach CVs and copies of certified qualifications); and
- Breakdown of project costs as per project deliverables.

4.2 This document will be a binding contract between the successful service provider and the Authority once the proposal has been accepted by the Authority. Shortlisted bidders may be invited for a presentation.

4.3 No service may be rendered without an official purchase order.

5. SPECIAL CONDITIONS

5.1. The Bid and all contracts emanating therefrom, will be subject to the General Conditions of Contract (GCC).

- 5.2. The Special Conditions are supplementary to that of the General Conditions of Contract. Where, the Special Conditions of Contract are, however, in conflict with General Conditions of Contract, the Special Conditions of the Contract prevail.
- 5.3. The preferred consultant is expected to conduct itself and all its affairs ethically and above and beyond reproach whilst engaged in the provision of its services and products to the Authority.

6. SKILLS REQUIRED

- Research skills.
- Facilitation and consultation.
- Report writing and analytical skills.
- Care and quality in the timeous execution of tasks.
- Proven track record /experience in similar work (CVs providing relevant skills, competence, and experience to be attached).
- Experience in gathering, reviewing and analysis of documentation.
- Experience in areas of project management, B-BBEE strategy and Code of Good Practice; and
- Change management.

7. DELIVERABLES

- 7.1. The following outputs/deliverables will be expected:
- 7.1.1 Facilitate consultation sessions throughout the nine (9) South African provinces with the private security industry which includes Security Service Providers (SSPs) (both security businesses and security officers) individually and through trade unions and employer organizations and Associations of service providers in respect of the development of a Transformation Charter or Sector Code.
- 7.1.2 Facilitate, oversee, and further development of a Transformation Charter from the Draft Transformation Charter already developed for the private security industry, as

well as Transformation Index and B-BBEE scorecard elements on top of the existing Transformation Index.

- 7.1.3 Develop broad-based measurement tools to measure B-BBEE implementation and compliance in all the different categories or sub-sectors of security services within the private security industry.
- 7.1.4 Develop guidelines on receiving, considering, and approving B-BBEE reports.
- 7.1.5 Develop guidelines on the consideration of any exemptions from the Charter or Sector Code or any specific provision within the Sector Code.
- 7.1.6 Develop guidance and support on the interpretation and implementation of the Transformation Charter or Sector Code.
- 7.1.7 Develop terms of reference for the establishment of a Charter Council, including any governance structures and organisational structure.
- 7.1.8 Liaise with the Department of Trade and Industry (DTI) on the publication of the Sector Code in terms of section 12 of the Broad-Based Black Economic Empowerment Act 53 of 2003.
- 7.1.9 Identify key training requirements for the implementation of the Transformation Charter or Sector Code; and
- 7.1.10 Compile close-out report.

8. DURATION OF PROJECT

The contract period shall be for a period of twelve (12) months from the date of signing the Service Level Agreement by both parties. The service provider is requested to be available as and when required by the Authority for the duration of the contract.

9. EVALUATION CRITERIA

Bidders will first be evaluated in terms of the minimum requirements / gatekeepers. Bidders who do not fulfil all the requirements or do not submit the required documents will be disqualified. Those who fulfil all the minimum requirements or have submitted the required documents will be further evaluated on criterion 2, which is the functionality.

9.1 CRITERIA 1- MANDATORY RETURNABLE REQUIREMENTS

The Request for Quotation (RFQ) must be submitted in the prescribed format. Standard bidding documents should be filled in. These standard bidding documents include the following:

- a. SBD 1 -Invitation to Bid.
- b. Central Supplier Database (CSD) report to be submitted confirming the Bidders Tax compliance (The CSD report must not be older than 1 month from date of closure of the bid)
- c. SBD 3.3 -Pricing Schedule (ALL pages must be initialled by the bidder).
- d. SBD 4 - Declaration of Interest.
- e. SBD 6.1 - Preference Points Claim Form.
- f. General Conditions of Contract (ALL pages must be initialled, and last page must be signed by the bidder).
- g. Terms of Reference (ALL pages must be initialled, and last page must be signed by the bidder).

NB: ALL forms must be completed and signed. Incomplete forms will result in disqualification.

Private Security Industry Regulatory Authority

9.2 Criterion 2 – Functionality Evaluation

Functionality is worth 100 points. The minimum threshold is 70 points. Bidders who score less than 70 points on functionality will be disqualified.

The functionality evaluation is broken down as follows:

CRITERIA	WEIGHT POINTS
COMPANY PROFILE	15
<p>Bidders must submit company profile and proof experience of the company in B-BBEE Charters/Sector Codes</p> <p>Points Allocation:</p> <ul style="list-style-type: none"> ✓ 15 Points for providing company profile with experience of 10 years and above. ✓ 10 Points for providing company profile with experience of 8-9 years. ✓ 05 Points for providing company profile with experience of 5-8 years. ✓ 0 Points for less than 5 years and/or not providing company profile. 	
PROJECT MANAGER EXPERIENCE	15
<p>Knowledge and experience of the subject is required from the project manager.</p> <p>Bidders must submit a detailed CV and certified copies of project management qualification(s) (certification stamp must not be older than 6 months) and experience of the project manager as B-BBEE strategist/consultant which highlights experience in the field of B-BBEE Sector Code development.</p> <p>Points Allocation:</p> <ul style="list-style-type: none"> ✓ 15 Points for project manager having project management qualifications with experience of 10 years and above ✓ 10 Points for project manager having project management qualifications with experience of 8-9 years. ✓ 05 Points for project manager having project management qualifications with experience of 5-7 years. ✓ 0 Points for project manager having project management qualifications with experience of less than 5 years. 	

PROJECT TEAM EXPERIENCE	10
<p>Bidders must submit certified qualifications and detailed CVs of team member(s) showing experience as B-BBEE strategist/consultants in the field of B-BBEE Sector Code development. Service providers must submit a maximum of three (3) project team members CVs and certified qualifications (certification stamp must not be older than 6 months).</p> <ul style="list-style-type: none"> ✓ 10 Points for project team members, with each member having a qualification and minimum of three (3) years' experience and above. ✓ 0 Points for project team having qualifications with experience of less than 3 years. 	
QUALITY OF RESEARCH METHODOLOGY	40
<p>Bidders must submit the proposed Transformation Charter/Sector Code development methodology.</p> <p>Bidders' proposals must demonstrate a clear understanding and conceptualization of the assignment, including the alignment of the proposed methodology with the required outputs. The proposal must have a comprehensive implementation plan with proposed timelines, work breakdown structure and relevance of the proposal to the objectives and priorities of the development of a Sector Code for the private security industry.</p> <ul style="list-style-type: none"> ✓ 40 Points for a comprehensive detailed work plan describing all activities in logical sequence with clear timeframes compatible with the terms of reference. ✓ 25 Points for a detailed work plan describing some of the activities in logical sequence with clear timeframes compatible with the terms of reference. ✓ 15 Points for a work plan describing some activities in logical sequence in line with terms of reference. ✓ 0 Points for not submitting work plan describing activities in logical sequence and clear timeframes in line with terms of reference. 	
REFERENCE LETTERS	20
<p>Bidders must submit minimum of three contactable references where the bidder performed similar functions for clients, on a letterhead of the referees, detailing the name of the referee and contact details. The reference letter must not be older than 36 months from the closing date of the RFQ.</p> <ul style="list-style-type: none"> ✓ 20 Points for more than 5 reference letters. ✓ 10 Points for 3 to 5 references letters ✓ 0 Points for less than 3 reference letters 	
TOTAL	100

9.3 Criteria 3- Evaluation of Price and Preference

Bidders will be evaluated on a points system for Price and Preference as per Preferential Procurement Framework Act of 2000 (Act 5 of 2000).

i. The price / preference weighting applicable for RFQ are as follows:

Price / Preference	Weighting percentage
Price	80%
Preference:	20 %
Total must equal:	100%

ii. Preference Point allocation – 80/20

Preference: 20 Points	
Other: B-BBEE Status Level Contributor	
B-BBEE Level	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-Compliant contributor	0

iii. Price Calculation 80/20

The following formula will be used to calculate the points for price.

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

Where:

P_s = Points scored for price of bid under consideration
 P_t = Rand value of bid under consideration
 P_{min} = Rand value of lowest acceptable bid

10. COSTS OF SUBMISSION OF PROPOSAL

PSiRA is not responsible for any costs incurred by the service providers in the process of developing the proposals. The submitted budget for this project must incorporate all expenses to be incurred by the service provider.

11. PAYMENTS

- The Authority will only accept a **FIXED** total price that must be inclusive of all costs, (VAT inclusive).
- Payment shall be made on rendering of a professional satisfactory service and submission of the required report.
- Payment shall be made into the service provider's bank account after the receipt of an acceptable invoice. (Banking details MUST be submitted for payment to be made).
- Final payment will only be made to the service provider once the Transformation Charter/ Sector Code has been published in the Government Gazette in compliance with the B-BBEE Act.

12. PSiRA RIGHTS

Notwithstanding anything else in this Request for Proposal (RFP), and without limiting its rights at law or otherwise, PSiRA reserves the right, in its absolute discretion at any time:

- a. Cancel or call for new quotations.
- b. To appoint more than one bidder or contractor.
- c. Reject any quotation received after the Closing Time.
- d. Consider and accept or reject any alternative quote.
- e. Alter the structure and/or the timing of this RFP or the quotation Process.
- f. Reject any quote that does not comply with the requirements of this RFP.
- g. Terminate the participation of any Bidder or any other person in the Tendering

Process.

- h. Vary or extend any time or date specified in this RFP for all or any Bidder or other persons.
- i. Cease to proceed with or suspend the quotation Process prior to the execution of a formal written contract.
- j. Require additional information or clarification from any Bidder or any other person or provide additional information or clarification.
- k. PSiRA is not obliged to accept the lowest or any bid thereof and reserves the right to withdraw this bid.

13. GUIDELINES FOR SUBMISSION - REQUEST FOR QUOTATIONS

- The bidder is required to confirm that it will hold its proposal valid for 60 days from the closing date of the RFQ, during which time it will maintain without change, their proposed rates, and prices.
- Bidders are required to **submit 1 indexed original hard copy and 1 USB containing the original proposal (bidders must ensure that the documentation on the USB are the same as the one submitted as a hard copy document).**
- The proposals or quotations for the envisaged services should be submitted to PSiRA before the closing date and time specified, at the physical address: **PSiRA Head Office (Centurion)**, 420 Witch-Hazel Avenue, Block B – Eco Glades 2 Office Park, Highveld Ext 70.

14. CONTACT DETAILS

The contact persons for this assignment

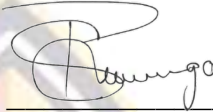
Technical Enquiries:

Mr. Tebogo Seanego | Email: bids@psira.co.za

Bidding Procedures Enquiries:

Ms. Tsakani Maluleke | Tel: 012 003 0686 | Email: bids@psira.co.za

Mr. Tebogo Seanego
(Policy Researcher: R & D)



Signature

08/09/2022

Date

Name of Bidder

Bidder's Signature

Date

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PRIVATE SECURITY INDUSTRY REGULATORY AUTHORITY					
QUOTE NUMBER:	OPS/2022/003	CLOSING DATE:	04 OCTOBER 2022	CLOSING TIME:	11h00
DESCRIPTION	APPOINTMENT A SERVICE PROVIDER TO DEVELOP THE TRANSFORMATION CHARTER / SECTOR CODE FOR THE PRIVATE SECURITY INDUSTRY FOR A PERIOD OF 12 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
PSIRA HEAD OFFICE: 420 WITCH HAZEL AVENUE					
BLOCK B - ECO GLADES 2 OFFICE PARK					
HIGHVELD EXT 70					
CENTURION					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms. Tsakani Maluleke		CONTACT PERSON	Ms. Tebogo Seanego	
TELEPHONE NUMBER	012 003 0686		TELEPHONE NUMBER	012 003 0686	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	bids@psira.co.za		E-MAIL ADDRESS	bids@psira.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
CONTACT PERSON					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: QUOTE NO.: **OPS/2022/003**

CLOSING TIME **11:00**

CLOSING DATE: **04 OCTOBER 2022**

OFFER TO BE VALID FOR **60** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
APPOINTMENT A SERVICE PROVIDER TO DEVELOP THE TRANSFORMATION CHARTER / SECTOR CODE FOR THE PRIVATE SECURITY INDUSTRY FOR A PERIOD OF 12 MONTHS		

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

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

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

Name of Bidder:

Any enquiries regarding bidding procedures may be directed to the –

Private Security Industry Regulatory Authority (PSiRA)

Department: Supply Chain Management Office

Contact Person: Ms. Tsakani Maluleke

Tel: 012 003 0686

Email Address: bids@psira.co.za

Or for technical information –

Contact Person: Mr. Tebogo Seanego

Tel: 012 003 0686

Email Address: bids@psira.co.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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 2017

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

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

1. GENERAL CONDITIONS

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

- The 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).

1.2

a) The value of this bid is estimated **not exceed** R50 000 000 (all applicable taxes included) and therefore the **...80/20.....** Preference point system shall be applicable; or

b) The 80/20 preference point system will be applicable to this tender

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{Pt - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{Pt - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

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

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>
Cooperative owned by black people	<input type="checkbox"/>	<input type="checkbox"/>

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional service provider
 - ☐ Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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 contract 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.

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Signature

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Date

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Position

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Name of bidder