



## **TABLE OF CONTENTS**

| <b>DOCUMENTS THAT RELATE TO THE TENDER</b> |                                                                   |
|--------------------------------------------|-------------------------------------------------------------------|
| <b>Doc. Number</b>                         | <b>Document</b>                                                   |
| ANNEXURE 4                                 | ISSUING OF BIDS                                                   |
| DW106                                      | ADVERT                                                            |
| ANNEXURE 7                                 | INSTRUCTION TO BIDDERS: PURCHASES                                 |
| SBD 1                                      | INVITATION TO TENDER                                              |
| SBD 2                                      | TAX REQUIREMENTS: WILL BE VERIFIED ON CSD                         |
| SBD 6.1                                    | PREFERENCE POINTS CLAIM FORM I.T.O PPR, 2017:                     |
| SBD 4                                      | DECLARATION OF INTEREST                                           |
| SBD 8                                      | DECLARATION OF BIDDER'S PAST SUPPLY CHAIN<br>MANAGEMENT PRACTICES |
| SBD 9                                      | CERTIFICATE OF INDEPENDENT BID DETERMINATION                      |
| SBD 3.1                                    | PRICING SCHEDULE – FIRM PRICES (PURCHASES)                        |
|                                            | GENERAL CONDITIONS OF CONTRACT                                    |

| <b>DOCUMENTS THAT RELATE TO THE CONTRACT</b> |                                 |
|----------------------------------------------|---------------------------------|
| <b>Doc. Number</b>                           | <b>Document</b>                 |
|                                              | TECHNICAL SPECIFICATION AND BOQ |
|                                              | EVALUATION CRITERIA             |



**DEPARTMENT OF WATER AND SANITATION  
REPUBLIC OF SOUTH AFRICA**

DUE AT 11:00 AM ON

**29 OCTOBER 2021**

**WQ10466WTE**

**THE SERVICING OF TRANSFORMERS: OPERATIONS  
EASTERN**

SUBMIT TENDER DOCUMENT

TO

POSTAL ADDRESS:  
SUPPLY CHAIN MANAGEMENT OFFICE:  
WATER AND SANITATION  
PRIVATE BAG X 24  
HOWICK, 3290

OR

**TO BE DEPOSIT IN:**  
THE TENDER BOX AT:  
SECURITY GUARDHUT

**TENDERER:** (Company address and stamp)

**COMPILED BY: DEPARTMENT OF WATER AND SANITATION:**

**DEPARTMENT OF WATER AFFAIRS**

**INSTRUCTIONS TO BIDDERS: PURCHASES**

1. The standard bidding forms should not be retyped or redrafted but photocopies may be prepared and used. Additional offers may be made of any item but only on a photocopy of the page in question or on other forms obtainable from the Head of Procurement: Department of Water Affairs, Private Bag X313, Pretoria, 0001, Attention: Supply Chain Management Office. Additional offers made in any other manner may be disregarded.
2. Should standard bid forms not be filled in by means of mechanical devices, for example typewriters, ink, preferably black, must be used to fill in bids.
3. Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted in regard to claims arising from the fact that pages are missing or duplicated.
4. Where items are specified in detail, the specifications form an integral part of the bid document and bidders shall indicate in the space provided whether the items offered are to specification or not.
5. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified".
6. In cases where the items are not to specification, the deviations from the specifications shall be indicated.
7. The bid prices shall be given in the units shown.
8. With the exception of basic prices, where required, all prices shall be quoted in South African currency.
9. Delivery basis:
  - (a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of bid, shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station if the goods are required elsewhere.
  - (b) Notwithstanding the provisions of paragraph 9(a), bid prices for supplies in respect of which installation/erection/assembly is a requirement, shall include ALL costs on a basis of delivered on site as specified.
10. Unless specifically provided for in the bid document, no bids transmitted by telegram, telex, facsimile, e-mail or similar apparatus shall be considered.

**ANNEXURE 7**

11. Bids received after the closing date and time are late and will as a rule not be accepted for consideration.
12. Bids will be opened in public, that is, bidders or their representatives may be present. If requested by any bidder, the names of bidders and if practical the total amount of each bid and of any alternative bids, will be read aloud.
13. The period for which offers are to remain valid and binding is indicated in the bid documents and is calculated from the closing date on the understanding that offers are to remain in force and binding until the close of business on the last day of the period calculated and if this day falls on a Saturday, Sunday or public holiday, the bid is to remain valid and binding until the close of business on the following working day.
14. These conditions (Annexure 7) form part of the bid and failure to comply therewith may invalidate a bid.
15. Bidders are requested to promote local content optimally. Bidders who use locally manufactured components, products, equipment and systems, may claim preferences as set out in the Preference Points Claim Form, if attached.
16. After public opening of bids, information relating to the examination, clarification and evaluation of bids and recommendations concerning awards will not be disclosed to bidders or other persons not officially concerned with the process, until the successful bidder is notified of the award. The bid documentation of bidders is considered to be confidential and will under no circumstances be made available to other bidders or other persons.
17. If you are a supplier but not the actual manufacturer and will be sourcing the product(s) from another company, a letter from that company(ies)/supplier(s) confirming firm supply arrangement(s) in this regard, has to accompany your bid and failure to submit the document may invalidate your bid.
  - 17.1 The said company/supplier must confirm that it has familiarised itself with the item description, specifications and bid conditions and if the bid consist of more than one item it should be clearly indicated in respect of which item(s) the supportive letter has been issued.
18. The financial standing of bidders and their ability to manufacture or to supply goods or to render a service may be examined before their bids are considered for acceptance.
19. The Department may, where a bid relates to more than one item, accept such bid in respect of any specific item or items and also accept part of the specified quantity of any specific item or items.
20. The Department is not obliged to accept any bid. The evaluation of a bid will be done in accordance with the Preferential Procurement Policy Framework Act, 2000 (Act no. 5 of 2000) and its regulations.

**ANNEXURE 7**

21. After approval of the bid, both parties must sign a written contract. The Contract Form must be filled in duplicate by both the successful bidder and the purchaser. Both Contract Forms must be signed in the original so that the successful bidder and the purchaser would be in possession of originally signed contracts for their respective records.
- 21.1 Failure of the successful bidder to sign the Contract Form in ink may result in the invalidation of their bid.

Special Conditions of Bid: Purchases

July 2004



**water & sanitation**

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

**BRANCH: NWRI**

**CD: INFRASTRUCTURE OPERATIONS**

**D: EASTERN OPERATIONS**

# **TECHNICAL SPECIFICATION**

**TRANSFORMER MAINTENANCE**

## DOCUMENT CONTROL SHEET

|             |                                                            |
|-------------|------------------------------------------------------------|
| Revision No | 00                                                         |
| Title       | <b>Technical Specification:</b><br>TRANSFORMER MAINTENANCE |

## TABLE OF CONTENTS

|                              |    |
|------------------------------|----|
| DOCUMENT CONTROL SHEET ..... | ii |
|------------------------------|----|

|                         |     |
|-------------------------|-----|
| TABLE OF CONTENTS ..... | iii |
|-------------------------|-----|

|                                                |              |
|------------------------------------------------|--------------|
| 1. Introduction .....                          | 1            |
| 2. Background and Discussion .....             | 1            |
| 3. Scope of Work .....                         | 1            |
| 4 General .....                                | 3            |
| 5 Occupational Health and Safety .....         | 3            |
| 5.1 Section 37.2 appointment .....             | 4            |
| 5.2 Risks identified by the DWS.....           | 4            |
| <del>5.3 Lock out.....</del>                   | <del>5</del> |
| 5.4 Costs of OHS.....                          | 5            |
| 5.5 Safety when working with transformers..... | 5            |
| 6 Quality Control.....                         | 8            |
| 6.1 Costs of quality control.....              | 8            |
| 6.2 Non compliance with specification .....    | 9            |
| 7 Modifications .....                          | 9            |

|     |                                       |    |
|-----|---------------------------------------|----|
| 8   | Compliance with standards .....       | 10 |
| 9   | Pre tender requirements .....         | 10 |
| 9.1 | Costs of pre tender requirements..... | 11 |
| 10  | Bill of quantities .....              | 11 |

## **1. Introduction**

This document provides technical specification for:

### ***TRANSFORMER MAINTENANCE***

## **2. Background and Discussion**

Transformers play a critical role as a component of plant within the raw water system to ensure the transfer of electrical energy to pump stations and dams at the required voltage levels which eventually results in the operation of the national water resource infrastructure system.

To minimise the risk of failure, improve reliability and reduce downtime, the various components of maintenance i.e. time based maintenance, time based condition monitoring, condition based maintenance and reliability centred maintenance must be conducted on transformers.

## **3. Scope of Work**

### **If the transformer has a tap changer:**

- a) Switching of off-load tap changer
- b) Overall inspection, repair and reporting: cleanliness, moisture content and oxidation
- c) Search for and repair leaks, unusual noises, hot spots and report
- d) Visual check on HV-MV-LV bushings
- e) Air dryer (Filter) check and replace if necessary
- f) Visual check (and repair if necessary) on electrical auxiliary cabinet if installed
- g) Oil level check
- h) Check on desiccant breather condition and repair if necessary

### **Maintenance of cooling fins:**

- a) Heat exchanger cleaning
- b) Motor-powered fan (if installed)

### **Oil analysis:**

A detailed report on the oil analysis per transformer from an accredited laboratory shall be compiled and submitted to the Department which must include:

- a) Moisture or water content
- b) Dissolved gas analysis
- c) Particle count, furan content
- d) Breakdown voltage

**Check on transformer accessories and replacement if necessary:**

- a) Oil level indicator
- b) Cooling system functional check
- c) Filter clogging
- d) Oil circuit check
- e) Thermostat
- f) Buchholz relay (if installed)

### **3.2 Condition based maintenance**

Visual inspections and remedying of:

- Oil leaks
- Physical defects to tank and associated components
- Silica gel abnormalities
- Electrical connection risks and defects
- Electrical / Mechanical/ Protection checks
- Safety risks
- Housekeeping

#### **3.2.1 Methods to address condition based defects**

- a) Visual inspection defects

~~Oil leaks shall be nipped and cleaned if possible. The risk of correcting this defect while the transformer is energized shall be assessed. Alternatively an outage must be arranged. For larger leaks, an outage shall be arranged for the repair.~~

Physical defects to the transformer tank cannot usually be addressed on site or while the transformer is in service. Based on the severity of the defect, a site repair shall be done or arrangements to have the transformer repaired at an approved workshop shall be arranged.

Piping, breather and associated equipment are serviceable and replaceable parts which can be addressed on site.

Silica gel must be changed on site if the existing gel shows signs of discolouration.

Electrical connections shall be infrared scanned to establish hot spots. Visible connection defects shall be prioritized as per risk where urgent defects shall be done immediately and low risk defects can be deferred to an appropriate time.

Electrical and mechanical checks shall include test runs of cooling fans and oil pumps where applicable. Fans and pumps shall be repaired where necessary.

### **3.3 List of transformers**

| Site                  | Size of transformer | Distance to nearest town |
|-----------------------|---------------------|--------------------------|
| Midmar Dam office     | 750kVA              | 10km from Howick         |
| Hluhluwe Dam          | 2 x 25kVA           | 32km from Hluhluwe town  |
| Lavumisa Pump Station | 2 x 500kVA          | 45km from Pongola        |
| Klipfontein Dam       | 3 x 50kVA           | 10km from Vryheid        |

Power supply on site shall be arranged by the contractor

## **4 General**

Workmanship shall be of first class commercial quality and in accordance with best workshop practice.

## **5. Occupational Health and Safety**

The Occupational Health and Safety and Regulations (Act number 85 of 1993) is applicable. Construction Regulations, General Machinery Regulations and Driven Machinery Regulations have particular reference. The contractor shall notify the Department of Labour, prior to commencing with the project. The DWS shall ensure that the provisions of the OHS are complied with for the duration of the project. The contractor prior to commencing on with the project shall submit:

- A comprehensive OHS file in accordance with the OHS Act.
- A detailed site specific risk assessment for review and acceptance;
- A detailed method statement for approval by the Project Manager;

All work shall be done in accordance with relevant legislation(s) and regulation(s). The DWS reserves the right to stop the contractor from executing work, which is not in accordance with the contractor's OHS plan for the site or which poses a threat to the health and safety of persons. The contractor may not appoint a subcontractor unless the contractor is reasonably satisfied that the subcontractor has necessary competencies and resources to perform work safely. Any subcontractor appointment shall be approved by the Project Manager. Where a contractor appoints a

subcontractor, all OHS Act requirements shall be applicable to the subcontractor. The contractor shall appoint a full-time competent employee in writing as the project supervisor, with the duty of supervising the project.

When the contractor and employees is found contravening OHS Act, the DWS shall stop the work until such time that the contractor implemented corrective measures to the satisfaction of the DWS.

### **5.1 Section 37.2 Appointment**

In accordance with the provisions of Section 37(2) of the Occupational Health and Safety Act 85 of 1993 wherein the Department of Water and Sanitation as Employer has entered into a contract with the Contractor, in terms of which the Contractor is to perform certain work and services for and on behalf of the Employer, subject to the terms and conditions as contained in such contract.

Then parties have agreed that in respect of performance of the work the Contractor shall be responsible for compliance with the Occupational Health & Safety Act and its Regulations. The Employer and Mandatory accordingly enter in this agreement in terms of Section 37(2) of the OHS Act, the terms and conditions of which are set out in Annexure D.

### **5.2 Risks Identified by the DWS**

The following are the risks associated with this project as identified by the DWS:

- Flooding
- Drowning
- Working at height
- Dehydration
- Falling
- Injury due to falling material
- Paint or chemical inhalation
- Injury due to hand tools
- Snake bite
- Falling due to slippery surfaces

- Failure of rigging equipment
- Noise due to grinding, blast cleaning, etc
- Hand arm vibration syndrome due to prolonged use of vibratory equipment
- Scaffold and climbing equipment collapse
- Airborne Fibres and Materials
- Electrocution
- Moving Machinery
- Service gate or isolating equipment failure
- Overhead Crane failure
- Back injuries from carrying heavy loads
- Confined spaces

Notwithstanding the abovementioned risks the contractor shall formulate a risk management plan which will include additional risks identified by the contractor.

### **5.3 Lock out**

Prior to decommissioning and commencement of any work, the contractor in conjunction with the Project Manager shall isolate and lock out intake line, valves, actuators, electrical equipment and all sources of energy relevant to the scope of work in accordance with the Occupational Health and Safety Act (OHSA).

### **5.4 Costs of OHS**

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The cost for OHS shall be included in the Tendered rates.

### **5.5 Safety when working with transformers**

Several safety aspects have to be considered when working on a transformer. The following items are not necessarily exhaustive. The local safety code should always be referred to.

#### **Grounding**

Electrostatic and electromagnetic induction is always present in an operating substation. After the transformer has been deenergized, it is good practice to ground all bushings before disconnecting the leads of the transformer and to keep them grounded at all times during the work, in order to avoid electrostatic and electromagnetic induction. The only exception to this would be to allow electrical testing.

### **Working at Height**

For any work performed above ground level on a power transformer, it is necessary to use the safety measures for working at height. Possible measures include:

- Wearing a safety harness and always tethering it to various anchorage points or devices
- Using a fall restraint and/or fall arrest device with the safety harness
- Erecting a safety fence around the tank lid perimeter
- Wearing safety helmets, also by ground workers in case of dropped objects
- Tethering the top of a ladder to the transformer tank
- Erecting scaffolding for all long duration activity
- Using an elevating work platforms for long reach, awkward access or very high bushings

### **Use of Voltage or Current Sources**

Because insulation tests are performed at relatively high voltages, workers should avoid touching all bushings during the application of test voltage, even bushings or wires that are grounded. Moreover, when applying a DC source to a transformer winding, a discharge circuit should be connected before interrupting the current, in order to avoid an overvoltage.

### **Pressure**

Before applying vacuum on a transformer, insure that the tank is designed to withstand a certain level of vacuum. This information is usually available on the nameplate of the transformer or in the OEM manual. If a positive pressure has to be

applied (for example to transport the transformer empty of oil), apply appropriate precautions if a manhole has to be opened because light pressure applied to the large area on a manhole cover will create large force. A good procedure would at first only loosen the manhole cover bolts, then break the seal and vent the gas pressure, and then continue to remove the cover.

### **Auxiliary Circuit**

No work should proceed on the control cabinet, until all auxiliary circuits that feed the transformer are switched off. Beware always to check for multiple sources supplying the control cabinet.

### **Accumulated Mechanical Energy**

When working on an OLTC, remove all stored energy in the energy accumulator springs.

### **Closed Vessel**

All work inside a tank should be treated as confined space work with the relevant regulatory controls. The air inside the tank should be continuously monitored to ensure it sustains life and to detect any explosive gases inside the tank. Always have an emergency response plan ready to implement in the event that the occupant becomes trapped or injured.

### **Tank Gas Filling**

When a transformer is filled with any gas other than air (for example nitrogen), it is mandatory to inform all workers and to prevent all tank access. Should the need for subsequent tank access become unavoidable, then this must only occur after the gas has been replaced by air, and must always be treated as confined space access.

### **Accumulated Gas**

When maintenance is performed on an OLTC and the oil compartment has to be opened, a good practice is to appropriately vent the trapped explosive gases. This precaution also applies if the main tank is opened after an internal fault.

### **Fire Extinguishing System**

Perform a risk assessment on the need to deactivate the Fire Extinguishing System.

## **6. Quality Control**

The quality of the work shall be assured in accordance with the DWS Quality Control Specification, that is, DWS 2020. Prior to commencing with the project the Quality Control Plan (QCP) shall be submitted to the DWS for review, acceptance and or approval.

All Plant shall be subject to inspection and testing by the Engineer at the Manufacturer's premises before despatch. No material shall be delivered to the Site without inspection having being carried out or waived by the Engineer in writing.

Inspection of equipment shall be carried out by the DWS representative or a nominated and approved inspection authority.

The DWS may employ an independent, technically qualified organisation to carry out quality surveillance of the work on his behalf. The inspection authority has the right to inspect any item covered in the Contract at any stage of execution of the Project.

The Manufacturer's material test data certification and the Contractor's quality records shall be subject to examination by the Engineer or his representative.

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For the purpose of carrying out quality surveillance, the Engineer or his representative shall be granted access to any part of the Contractor's premises and Site relevant to the work being carried out, at any reasonable time.

### **6.1 Costs of Quality Control**

The cost for quality control shall be included in the Tendered rates.

When surveillance results in rejection or when notice by the Contractor results in a fruitless trip, the cost borne by the DWS shall be debited against the Contractor's account.

If additional inspections, tests and analyses requested by the DWS prove that the repair and load testing is in accordance with the Specification, the costs of the inspections and/or tests including transport will be defrayed by the DWS. However, should the additional investigations prove that the repair and load testing does not conform to the specifications; the costs shall be defrayed by the Contractor. The Project Manager shall have the right, without prejudice to any other legal remedy, to deduct such costs from payments due to the Contractor under the Contract.

Where Plant or services fail to meet the Contract requirements but are nevertheless accepted at an agreed revised rate, the costs with regard to inspections, test and analyses shall be for the Contractor's account unless otherwise directed by the DWS.

## **6.2 Non-Compliance with the Specification**

Plant, materials and services that do not conform to the requirements of this Specification shall be rejected.

Such rejected Plant shall be held at the cost and risk of the Contractor who shall, when called upon, and at his own cost, repair the defects according to the Contract.

Failing satisfactory repair of rejected equipment, the Plant shall be returned to the Contractor at his cost and risk without any opportunity to substitute the rejected Plant. Alternative Plant may be purchased at the Contractor's expense or an approved Contractor may be employed to do the repair.

Should the Contractor fail to comply with the provisions of this specification, the Certificate of Commissioning shall not be issued.

## **7. Modifications**

Any modifications or deviations from the specification shall be indicated on the form "Proposed Alterations to Specification". The Contractor shall make no changes or modifications to any part of the design or the plant offered under this Contract without the written approval of the Project Manager. The DWS shall not accept any additional cost for any part of this Contract if this procedure has not been followed.

## **8. Compliance with Standards**

When reference is made to a code, specification or standard, the reference shall be taken to mean the latest edition of the code, specification or standard; including addenda, supplements and modifications and revisions thereto, unless otherwise specified.

The materials and workmanship shall be in accordance with the appropriate Specification current at the time of manufacture unless otherwise specified.

Should the Contractor desire for any reason to deviate from the Standards specified or the aforesaid equal or better Standard, he shall submit for the Project Manager's approval a statement of the exact nature of the deviation, fully supported by copies of the equivalent Standard (in English) and complete Specification of the alternative materials proposed. It shall be the responsibility of the Contractor to demonstrate that any alternative Standards proposed are equal or superior to those specified.

## **9. Pre-Tender Requirements**

Before submitting a Tender, each Tenderer shall visit and examine the Site and its surroundings, and shall obtain all the information that may be necessary for preparing the Tender. The date of the official Pre-Tender Meeting and Site Visit, which will be organized by the DWS, is stated in the Invitation to Tender. Tenderers are at liberty to visit the Site at other times during the Tender Period subject to making prior arrangements with the DWS.

The Tenderer and any of his personnel or agents who the Site or the Employer's premises and lands for the purpose of such inspection will release and indemnify the Employer and his personnel, contractors and agents from and against all liability in respect thereof and in respect of entering and being conveyed in any vehicle including airborne vehicles arranged by the Employer and will be responsible for personal injury (whether fatal or otherwise), loss of or damage to property and any other loss, damage, costs and expenses however caused, whether or not caused by the negligence of the Employer. (Such indemnities shall be given to the Employer

prior to the start of any Site visit in the form attached to these Instructions to Attendance at the Pre-Tender Meeting and the Site Visit is a compulsory precondition to submitting a Tender. Attendance will be confirmed by the Employer, by means of the Tenderer's completion of the Pre-Tender Meeting and Site Visit Inspection Certificate (Annexure A). The Certificate will be signed during the Pre-Tender Meeting/Site Visit by the Employer, the Engineer and the Tendering Contractors. The Pre-Tender Meeting with the Engineer and the Employer will be arranged as part of the official Site Visit. The original signed Pre-Tender Meeting and Site Visit Inspection Certificate (Annexure A) must be included in the documentation submitted with the Tender.

### 9.1 Cost of Pre-Tender Requirements

The Tenderer shall bear all costs associated with his visit or visits to the Site and his attendance at the Pre-Tender Meeting.

## 10. Bill of Quantities

| ITE<br>NO | PA<br>REF | SHORT DESCRIPTION                                        | UNI | QTY | RATE | AMOUNT |
|-----------|-----------|----------------------------------------------------------|-----|-----|------|--------|
|           |           | <b>Transformer Maintenance (Repair and oil sampling)</b> |     |     |      |        |
| 1         |           | - Midmar Dam office 750 kVA transformer                  | Qty | 1   |      |        |
| 2         |           | - Hluhluwe Dam two 25kVA transformers                    | Qty | 2   |      |        |
| 3         |           | - Lavumisa Pump Station two 750kVA transformers          | Qty | 2   |      |        |
| 4         |           | - Klipfontein Dam three 50kVA transformers               | Qty | 3   |      |        |
| 5         |           | - Provisional sums                                       | Sum | 1   |      |        |
| 6         |           | - Other                                                  | Sum | 1   |      |        |



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

### EVALUATION CRITERIA:

The 80/20 preference points system as prescribed in the **Preferential Procurement Regulations, 2017** Pertaining to the Preferential Procurement Policy Framework Act, (ACT NO 5 OF 2000) (PPPFA) will be applied to evaluate this proposal. Proposals received will be evaluated on three (3) phases namely, Administrative Compliance and Mandatory Requirements, Functionality Compliance, Price and Preference Points Claimed.

DWS has adopted a 3 phase evaluation process. The evaluation process includes the following phases:

- Phase 1: Administrative Compliance and Mandatory Requirements
- Phase 2: Functionality requirements
- Phase 3: Preferential Procurement regulations.

#### **Phase 1: Administrative Compliance**

Bidders are required to comply with the following listed below: - Failure to submit any of the documents shall render your bid non-responsive.

| No | Criteria                                                                                                                                                           | Yes | No |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 1  | Company must be registered on Central Supplier Database and comply with all the requirements thereof; Attach Central Supplier Database summary registration report |     |    |
| 2  | Tax compliant with SARS (to be verified through CSD and SARS on the day of evaluation). Provide SARS Tax Pin for verification purposes.                            |     |    |
| 3  | Active registration with Company Intellectual Property Commission (to be verified through CSD and CIPC)                                                            |     |    |
| 4  | Bill of Quantities must be completed in full.                                                                                                                      |     |    |
| 5  | Completion of pricing schedule (SBD 3.1)                                                                                                                           |     |    |
| 6  | Complete, sign and submit Standard Bidding Documents forms (SBD1, SBD4, SBD 6.1, SBD 8, SBD 9)                                                                     |     |    |

## **Phase 2: Functionality Compliance**

In Phase 3, Tenderers will be assessed on the quality of the methodology; qualifications and experience of key personnel proposed for this project; proposed construction programme, as well proof of having completed similar works;. Only Tenderers scoring a minimum threshold of **50%** will qualify for further evaluation and will be considered for Phase 4.

**1=Poor, 2= Average, 3=Good, 4=Very Good, and 5=Excellent**

The weight that will be allocated to each functionality criterion is as follows:

| <b>Criteria</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Project Rand Value<br/>&lt;R 500 000</b> |                                                   |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------|
|                      |                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Bidder<br/>score</b>                     | <b>Maximum<br/>weight<br/>(Minimum<br/>score)</b> |
| <b>FUNCTIONALITY</b> | <b>Team capability</b> <ul style="list-style-type: none"> <li>• Certified Qualifications and experience of key personnel proposed for maintenance of transformers. (i.e. Project Manager or Site Agent)</li> <li>• 1 page resume of each key project team member must be submitted with the bid indicating, amongst others, relevant qualifications, experience, accreditation/affiliation (where relevant), etc.</li> </ul> |                                             | <b>40</b><br><br>(20)                             |
|                      | <ul style="list-style-type: none"> <li>• Project Manager with NQF level 8 Electrical Engineering, Project Management and other qualifications in the built environment</li> <li>• Project Manager with NQF level 7 Electrical Engineering, Project Management and other qualifications in the built environment with minimum 3 years relevant experience</li> </ul>                                                          | 5                                           |                                                   |
|                      | <ul style="list-style-type: none"> <li>• Project Manager with NQF level 6 Electrical Engineering, Project Management and other qualifications in the built environment with minimum 5 years relevant experience</li> <li>• Professional Electrical Engineer, Professional Electrical Technologist, Professional Electrical Technician, and other professionals in other built environment related fields.</li> </ul>         |                                             |                                                   |
|                      | <ul style="list-style-type: none"> <li>• Project Manager with NQF level 7 Electrical Engineering, Project Management or other qualifications in the built environment.</li> <li>• Project Manager with NQF level 6 Electrical Engineering, Project Management or other qualifications in the built environment with minimum 2 years relevant experience.</li> </ul>                                                          | 4                                           |                                                   |
|                      | <ul style="list-style-type: none"> <li>• Project Manager with NQF level 6 Electrical Engineering, Project Management or other qualifications in the built environment.</li> </ul>                                                                                                                                                                                                                                            | 3                                           |                                                   |

|              |                                                                                                                                                                                                                                                                                                      |   |                       |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----------------------|
|              | <ul style="list-style-type: none"> <li>Project Manager with N6 Qualification Electrical Engineering or other Qualifications in the Built Environment</li> </ul>                                                                                                                                      | 2 |                       |
|              | <ul style="list-style-type: none"> <li>Project Manager with no Qualification in Electrical Engineering or other Qualifications in the Built Environment irrespective of years' experience.</li> </ul>                                                                                                | 1 |                       |
|              | <b>Proposed construction programme</b> <ul style="list-style-type: none"> <li>A proposed detailed Gantt chart must be submitted.</li> <li>Other similar programmes may be used and supporting documents must be submitted</li> </ul>                                                                 |   | <b>20</b><br><br>(10) |
|              | <b>Company Experience with transformers</b> <ul style="list-style-type: none"> <li>11 years or more</li> </ul>                                                                                                                                                                                       | 5 | <b>30</b><br><br>(15) |
|              | <ul style="list-style-type: none"> <li>8 to 10 years</li> </ul>                                                                                                                                                                                                                                      | 4 |                       |
|              | <ul style="list-style-type: none"> <li>5 to 7 years</li> </ul>                                                                                                                                                                                                                                       | 3 |                       |
|              | <ul style="list-style-type: none"> <li>2 to 4 years</li> </ul>                                                                                                                                                                                                                                       | 2 |                       |
|              | <ul style="list-style-type: none"> <li>Less than 2 years</li> </ul>                                                                                                                                                                                                                                  | 1 |                       |
|              | <b>Track Record</b><br><br>Note that only completed transformer related projects will be accepted. <ul style="list-style-type: none"> <li>Contact details of at least 3 contactable references from amongst recent clients with whom similar work has been completed in the past 3 Years.</li> </ul> |   | <b>10</b><br><br>(5)  |
|              | 3 or more projects completed relevant to the proposed scope of work having a contract value equal to or greater than R200 000                                                                                                                                                                        | 5 |                       |
|              | 2 projects completed relevant to the proposed scope of work having a contract value equal to or greater than R200 000                                                                                                                                                                                | 4 |                       |
|              | 1 project completed relevant to the proposed scope of work having a contract value equal to or greater than R200 000                                                                                                                                                                                 | 3 |                       |
|              | 3 or more projects completed not relevant to the proposed scope of work having a contract value equal to or greater than R200 000                                                                                                                                                                    | 2 |                       |
|              | Projects completed not relevant to the proposed scope of work having a contract value less than R200 000                                                                                                                                                                                             | 1 |                       |
| <b>Total</b> |                                                                                                                                                                                                                                                                                                      |   | <b>100 points</b>     |

**Phase 3: Preferential Procurement will be applied in terms of the new Preferential Procurement Regulations, 2017 pertaining to the PPPFA Act no 5 of 2000.**

During this phase, bidders will be further evaluated based on 80 points for price and 20 points for attaining the B-BBEE Status Level Contributor in accordance with table in SBD 6.1

In order to claim the B-BBEE Status Level Contributor points, bidders must submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof, issued by accredited Verification Agency/s by SANAS or Registered Auditor approved by Independent Regulation Board of Auditor (IRBA), together with their bids to substantiate their B-BBEE rating claims. The Exempted Micro Enterprise must submit a letter from Accounting Officer who is appointed in terms of Close Corporation Act. EMEs are allowed to submit a sworn affidavit from Department of Trade and Industry website.

Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process. They will score points out of 80 for price only zero (0) points out of 20 for B-BBEE.

**FOR ENQUIRIES**

**M. Mthanda**

Eastern Operation

Tel: (033) 239 1212

Cell: 082 323 8257

Email: mthandam@dws.gov.za

## PART A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPT WATER AND SANITATION: EASTERN OPERATIONS**

|             |         |               |                 |               |         |
|-------------|---------|---------------|-----------------|---------------|---------|
| BID NUMBER: | WQ10466 | CLOSING DATE: | 29 OCTOBER 2021 | CLOSING TIME: | 11:00AM |
|-------------|---------|---------------|-----------------|---------------|---------|

|             |                               |
|-------------|-------------------------------|
| DESCRIPTION | THE SERVICING OF TRANSFORMERS |
|-------------|-------------------------------|

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX

SITUATED AT (STREET ADDRESS)

**MIDMAR DAM STORES**

**MIDMAR DAM WALL: OFF THE R103 (TWEEDIE)**

### SUPPLIER INFORMATION

|                                                                                                                  |      |                                                                                                             |         |
|------------------------------------------------------------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------|---------|
| NAME OF BIDDER                                                                                                   |      |                                                                                                             |         |
| POSTAL ADDRESS                                                                                                   |      |                                                                                                             |         |
| STREET ADDRESS                                                                                                   |      |                                                                                                             |         |
| TELEPHONE NUMBER                                                                                                 | CODE | NUMBER                                                                                                      |         |
| CELLPHONE NUMBER                                                                                                 |      |                                                                                                             |         |
| FACSIMILE NUMBER                                                                                                 | CODE | NUMBER                                                                                                      |         |
| E-MAIL ADDRESS                                                                                                   |      |                                                                                                             |         |
| VAT REGISTRATION NUMBER                                                                                          |      |                                                                                                             |         |
| TCS PIN:                                                                                                         |      | OR                                                                                                          | CSD No: |
| <input type="checkbox"/> Yes<br><input type="checkbox"/> No                                                      |      | B-BBEE STATUS LEVEL SWORN AFFIDAVIT<br><input type="checkbox"/> Yes<br><input type="checkbox"/> No          |         |
| IF YES, WHO WAS THE CERTIFICATE ISSUED BY?                                                                       |      |                                                                                                             |         |
| AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX |      | <input type="checkbox"/> AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)           |         |
|                                                                                                                  |      | <input type="checkbox"/> A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) |         |
|                                                                                                                  |      | <input type="checkbox"/> A REGISTERED AUDITOR<br>NAME:                                                      |         |

**[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<br>[IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ANSWER PART B:3 BELOW ] |
|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|

|                     |      |
|---------------------|------|
| SIGNATURE OF BIDDER | DATE |
|---------------------|------|

|                                                                                                                          |  |
|--------------------------------------------------------------------------------------------------------------------------|--|
| CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.) |  |
|--------------------------------------------------------------------------------------------------------------------------|--|

|                               |                                 |
|-------------------------------|---------------------------------|
| TOTAL NUMBER OF ITEMS OFFERED | TOTAL BID PRICE (ALL INCLUSIVE) |
|-------------------------------|---------------------------------|

|                                                        |                      |                                                  |                     |
|--------------------------------------------------------|----------------------|--------------------------------------------------|---------------------|
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b> |                      | <b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b> |                     |
| DEPARTMENT/ PUBLIC ENTITY                              | WATER AND SANITATION | CONTACT PERSON                                   | MVELO MTHANDA       |
| CONTACT PERSON                                         | NISHAN SINGH         | TELEPHONE NUMBER                                 | 0823238257          |
| TELEPHONE NUMBER                                       | 033-2391216          | FACSIMILE NUMBER                                 |                     |
| FACSIMILE NUMBER                                       | 0823264335           | E-MAIL ADDRESS                                   | MTHANDAM@DWS.GOV.ZA |
| E-MAIL ADDRESS                                         | SINGHN@DWS.GOV.ZA    |                                                  |                     |

## 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 ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: ( BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. 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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

#### 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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

#### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- |                                                                      |                                                          |
|----------------------------------------------------------------------|----------------------------------------------------------|
| 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?                       | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?      | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?           | <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 OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.**

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
  - 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
  - 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
  - 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
  - 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
  - 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).
-



TAX CLEARANCE

TCC 001

**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?  
If "YES" provide details

YES

NO

**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.

## 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);
- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.
- 1.2 Points for this bid shall be awarded for:  
(a) Price; and  
(b) B-BBEE Status Level of Contributor.
- 1.3 The maximum points for this bid are allocated as follows:

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

- 1.4 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.
- 1.5 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 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 bid under consideration
- $P_t$  = 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 (80/20 system) |
|------------------------------------|---------------------------------|
| 1                                  | 20                              |
| 2                                  | 18                              |
| 3                                  | 14                              |
| 4                                  | 12                              |
| 5                                  | 8                               |

|                           |   |
|---------------------------|---|
| 6                         | 6 |
| 7                         | 4 |
| 8                         | 2 |
| Non-compliant contributor | 0 |

## 5. BID DECLARATION

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

## 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 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"/> |
|-----|--------------------------|----|--------------------------|

- 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<br>✓ | QSE<br>✓ |
|-------------------------------------------------------------------|----------|----------|
| Black people                                                      |          |          |
| Black people who are youth                                        |          |          |
| Black people who are women                                        |          |          |
| Black people with disabilities                                    |          |          |
| Black people living in rural or underdeveloped areas or townships |          |          |
| Cooperative owned by black people                                 |          |          |
| Black people who are military veterans                            |          |          |
| <b>OR</b>                                                         |          |          |
| 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 .....

.....  
.....

## ANNEXURE B

**SBD 4**  
**DECLARATION OF INTEREST**

- [illegible]

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

"State" means –

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

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

- 2.7 Are you or any person connected with the bidder presently employed by the state?

YES

NO

- 2.7.1 If so, furnish the following particulars:

Name of person/director/trustee shareholder/member:

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

Position occupied in the state institution:

Any other particulars:

- 2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

YES

NO

- 2.7.2.1 If yes, did you attach proof of such authority to the bid document?

YES

NO

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

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

2.8 Did you or your spouse, or any of the company's directors/trustees/shareholders/members or their spouses conduct business with the state in the previous twelve months?

YES

NO

2.8.1 If so, furnish particulars:

---

---

---

---

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES

NO

2.9.1 If so, furnish particulars

---

---

---

---

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

YES

NO

2.10.1 If so, furnish particulars.

---

---

---

---

2.11 Do you or any of the directors/trustees/shareholders/members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES

NO

2.11.1 If so, furnish particulars:

---

---

---

---

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

| Full Name | Identity Number | Personal Income Tax Reference Number | State Employee Number/Persal Number |
|-----------|-----------------|--------------------------------------|-------------------------------------|
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |
|           |                 |                                      |                                     |

### 4 DECLARATION

I, THE UNDERSIGNED (NAME) \_\_\_\_\_

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of bidder



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

SBD 8

### DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

The bid of any bidder may be disregarded if that bidder, or any of its directors have-

abused the institution's supply chain management system;  
committed fraud or any other improper conduct in relation to such system; or  
failed to perform on any previous contract.

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

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

|       |                                                                                                                                                                                    |                                 |                                |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| 4.2.1 | If so, furnish particulars:<br><br>                                                                                                                                                |                                 |                                |
| 4.3   | Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.3.1 | If so, furnish particulars:<br><br>                                                                                                                                                |                                 |                                |
| 4.4   | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?                  | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.4.1 | If so, furnish particulars:<br><br>                                                                                                                                                |                                 |                                |

**SBD 8**

## **CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME) \_\_\_\_\_

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

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of Bidder



## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

- 1 I have read and I understand the contents of this Certificate;
- 2 I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
- 3 I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
- 4 Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
- 5 For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

- 6 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
- 7 In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
- 8 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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<sup>3</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.

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

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Signature

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Date

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Position

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Name of Bidder

### PRICING SCHEDULE – FIRM PRICES (PURCHASES)

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

|                     |                               |
|---------------------|-------------------------------|
| Name of bidder..... | Bid number: WQ10466WTE        |
| Closing Time 11:00  | Closing date: 29 OCTOBER 2021 |

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

| ITEM NO | QUANTITY | DESCRIPTION                                                                                        | BID PRICE IN RSA CURRENCY<br>**(ALL APPLICABLE TAXES INCLUDED) |
|---------|----------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| 1       | 1        | <ul style="list-style-type: none"> <li>THE SERVICING OF TRANSFORMERS-OPERATIONS EASTERN</li> </ul> | R.....<br>.....                                                |
| VAT     |          |                                                                                                    |                                                                |
| TOTAL   |          |                                                                                                    | <b>R</b>                                                       |

- Brand and model .....

- Country of origin .....

- Does the offer comply with the specification(s)? \*YES/NO

- If not to specification, indicate deviation(s) .....

- Period required for delivery .....

\*Delivery: Firm/not firm

- Delivery basis .....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

\*Delete if not applicable

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **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.                                                                                                    |
| <b>29. Governing language</b>                                | 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.                                                                                                                                                                                         |
| <b>30. Applicable law</b>                                    | 30.1 | The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.                                                                                                                                                                                                                                                            |
| <b>31. Notices</b>                                           | 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.                                                                                                                                                                                             |
| <b>32. Taxes and duties</b>                                  | 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.                                                                        |
| <b>33. National Industrial Participation Programme (NIP)</b> | 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.                                                                                                                                                                                                                    |
| <b>34 Prohibition of Restrictive practices</b>               | 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)