correctional services
Department
Correctional Services
REPUBLIC OF SOUTH AFRICA

BD 2.1

AREA COMMISSIONER OFFICE: FREE STATE & NORTHERN CAPE: DU TOITSPAN ROAD, DU TOITSPAN BUILDING 5, KIMBERLEY; 8300; Tel (053) 836 9000; Fax (053) 831 4977

Ref: 6/1/3/4
Enquiries: Ms Van Wyk J

Date: 03 MAY 2021

The Manager

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.....
.....

Sir / Madam

BID NUMBER: KBY 02/2020: SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (EIGTH MONTHS) STARTING FROM 1 AUGUST 2021 TO 31 MARCH 2022: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION

The Department of Correctional Services requires the item(s) as described per attached bid invitation.

You are requested to complete the documents and submit it to the address indicated in the SBD 1.

Bidders must take note of the following:

- The closing date of the bid will be at **11h00** on **31 MAY 2021** and will be valid for a period of ninety (90) days after the closing date.
- Bid must be submitted in a sealed envelope. The name and address of the bidder, the price quotation number and closing date must be indicated on the envelope. The envelope must not contain documents relating to any other bid.
- It is the responsibility of bidders to ensure that the bid reach the address indicated on the SBD 1 before the closing date and time. **No late bids will be accepted**.
- Bidders need to acquaint themselves with the contents of the attached General Conditions of Contract and Special Conditions of Contract, (BD 4.1).
- A pre-qualifying criteria to this bid is that only bids with a B-BBEE Level one (1) to four (4) will be considered. Only bidders that meet the pre-qualifying criteria as required as per special Conditions, (BD 4.1) will be considered.
- It is the responsibility of bidders to ensure that they are registered on the National Treasury Central Supplier Database (CSD). Bids cannot be awarded to any supplier who is not registered on the CSD.
- Suppliers must take note that items will be evaluated and awarded item per item and not as a whole.
- Note that no alternative offers will be accepted, except the one in the approved specifications.
- The Department will only accept an original or original certified copy of the completed and signed BD 27 and it must be attached with the standard bidding documents.

- An original or original certified copy of a letter issued on the official letterhead of the third party addressing the information below will also be acceptable.
    - Confirmation that there is a mutual agreement between the bidder and the third party (manufacturer/dealer who normally keeps stock);
    - Confirmation that firm supply and financial arrangement are in place; and
    - Confirmation that the third party has familiarized themselves with the item descriptions/specification and bid terms and conditions relating to the listed items

- A compliance checklist, (BD 26) is provided in the bid document that will assist bidders to adhere to the conditions specified.

- Bidders must acknowledge and sign the Special Conditions of Contract

- The Declaration of Interest (SBD 4) must be completed in full. (Very Important to declare in full on paragraphs 2.7.1. 2.8.1, 2.11.1 and 3).
    - Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, and this Department will act against such bidder (company) and/or it's Directors in terms of paragraph 23 of the General Conditions of Contract.

- A bidder who qualifies as an EME in terms of the B-BBEE Act must submit an original sworn affidavit or an original certified copy thereof, confirming Annual Total Revenue and Level of Black Ownership.

- A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or an original certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

The following documentation <u>must</u> be submitted with your Price Quotation document:

- Valid and original / original certified copy of B-BBEE Status Level Verification Certificate, (BD 4.1 paragraph 7.3.5). Date of certification may not be older than six (6) months (BD 4.1 paragraph 3.2) **OR**

- Valid and original / original certified copy of sworn affidavit for B-BBEE Exempted Micro Enterprise/ B-BBEE Qualifying Small Enterprise, (BD 4.1 paragraph 7.3.6.2). Date of certification may not be older than six (6) months) (BD 4.1 paragraph 3.2).

- Original certified copy(s) of ID document(s) of the directors/shareholders/members. Date of certification may not be older than six (6) months (BD 4.1 paragraph 3.2)

<u>IMPORTANT NOTICE</u>: The Commissioner of oath must append a signature, date and also print out name. Copies that do not comply with this regulation will be regarded as invalid.
The date of certification of the original on all copies submitted should not be older than six (6) months.

<u>VERY IMPORTANT NOTICE:</u> Service Providers must at all times ensure compliance with the preventative measures as espoused by the National Department of Health in combating the spread of COVID-19. Your company is requested to either provide this office with your disaster plan in terms of COVID-19 or an assurance letter which details preventative mechanism for COVID-19.

It will be expected of the successful bidder to sign a formal contract at this office after being notified of the acceptance of his/her bid.

Yours faithfully

For: **AREA COMMISSIONER**
KIMBERLEY MANAGEMENT AREA
FREE STATE AND NORTHERN CAPE REGION
REGIONAL CO-ORDINATOR: SUPPLY CHAIN MANAGEMENT
EL MOTOMA

2021/05/07

correctional services
Department
Correctional Services
REPUBLIC OF SOUTH AFRICA

SBD 1

PART A
INVITATION TO BID

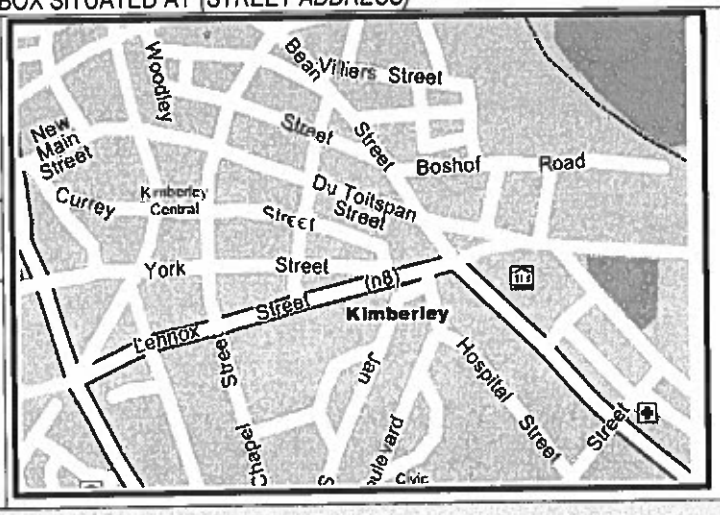
YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF CORRECTIONAL SERVICES					
BID NUMBER:	KBY 02/2020	CLOSING DATE:	31 MAY 2021	CLOSING TIME:	11H00
DESCRIPTION	SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (8 MONTHS) STARTING FROM 1 APRIL 2021 TO 30 NOVEMBER 2021: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7). (THE SBD 7 IS NOT APPLICABLE TO PRICE QUOTATIONS)					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

THE AREA COMMISSIONER
DEPARTMENT OF CORRECTIONAL SERVICES KIMBERLEY
PRIVATE BAG X 6006
KIMBERLEY
8300

OR

THE BID DOCUMENTS MAY BE DEPOSITED IN THE BID BOX WHICH IS IDENTIFIED AS THE BID BOX OF THE DEPARTMENT OF CORRECTIONAL SERVICES **AREA COMMISSIONERS OFFICE, GROUND FLOOR, DU TOITSPAN BUILDING 5, DU TOITSPAN ROAD, KIMBERLEY, 8300**



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:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ 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	☐	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
	☐	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
	☐	A REGISTERED AUDITOR		
		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]
A BIDDER OTHER THAN EME OR QSE MUST SUBMIT THEIR ORIGINAL AND VALID / ORIGINAL CERTIFIED COPY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE SUBSTANTIATING THEIR B-BBEE RATING ISSUED BY A RGISTERED AUDITOR APPROVED BY IRBA OR A VERIFICATION AGENCY ACCREDITED BY SANAS

ARE YOU THE ACCREDITED REPRESENTATIVE **IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES ENCLOSE PROOF] CK REPORT	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER **INITIALS AND SURNAME IN PRINT:**	....	**DATE:**	**2020/...../.....**
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)**	
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		**TECHNICAL INFORMATION MAY BE DIRECTED TO:**	
DEPARTMENT/PUBLIC ENTITY	Correctional Services	CONTACT PERSON	MR NOFEMELA MVUYISI
CONTACT PERSON	Jeanette Van Wyk	TELEPHONE NUMBER	051 4040 200
TELEPHONE NUMBER	053 836 6254	FACSIMILE NUMBER	
FACSIMILE NUMBER	053 836 6286	E-MAIL ADDRESS	Mvuyisi.nofemela@dcs.gov.za
E-MAIL ADDRESS	jeanette.vanwyk@dcs.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, THE BID DOCUMENT WILL BE CONSIDERED AS UNACCEPTABLE.

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)?	☐ YES ☐ NO
3.2.	DOES THE BIDDER HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
3.3.	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
3.4.	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ 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.

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES

(PURCHASES OF COAL – GRADE A)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE SPECIAL CONDITIONS OF BID DOCUMENTS (BD 4.1; PARAGRAPH 16)

Name of Bidder: ..... **Bid Number**: KBY 02/2020

Closing Time: 11:00 on 31 MAY 2021

OFFER TO BE VALID FOR **NINETY (90) DAYS** FROM THE CLOSING DATE OF BID.

ITEM NO.	DESCRIPTION
1.	**A GRADE COAL - AS PER SPECIFICATION**

Bidders must take NOTE of the below Grade A coal specifications and complete the below table as confirmation of compliance of coal to be supplied.

SPECIFICATION		GRADE A	COMPLIANCE CHECK LIST: COMPLY	COMPLIANCE CHECK LIST: NOT COMPLY
Ultimate Analysis *(% by mass)*	Moisture	2.50		
	Ash	12.83		
	Carbon	69.79		
	Hydrogen	4.10		
	Nitrogen	1.64		
	Sulphur	0.62		
	Oxygen	8.52		
Proximate Analysis* *(% by mass)*	Moisture	2.50		
	Ash	12.83		
	Volatile Matter	23.63		
	Fixed Carbon	60.04		
	Gross Calorific Value MJ/kg	28.50		
Ash Fusion Temperatures (°C)	Deformation	1 400		
	Hemispherical	1 400		
	Flow	1 400		
	Swelling Index	1		

Bidders must take NOTE of the below Grade A coal specifications and complete the below table as confirmation of compliance of coal to be supplied.

SPECIFICATION		GRADE A	COMPLIANCE CHECK LIST COMPLY	NOT COMPLY
Size Grading *(Size Range, mm)* *(% in range)*	+25	0		
	-25 + 19	15		
	-19 + 13	25		
	-13 + 6	43		
	-6 + 3	13		
	-3 + 1	4		
	-1	1		
Trace Elements	Elements (%)	RANGE		
		High		
	Chlorine	> 0.30		
	Phosphorus	> 0.10		
	Sulphur	> 1.80		
	Iron (in ash)	> 8.00		

ITEM NO.	QUANTITY	CORRECTIONAL CENTRE	DELIVERY IS REQUIRED INTO THE STORES OF THE INSTITUTION AS INDICATED BELOW	FREQUENCY OF DELIVERY	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES AND DELIVERY COST MUST BE INCLUDED IN THE PRICE)*
1.	± 840 000 KG (840 TONS)	Kimberley	Delivered into the Boilers at Kimberley Correctional Centre (Old Prison) Kitchen / Schmidsdrift Road	Monthly	R_____/KG (Please quote per KG and not per Ton) R_____ TOTAL PRICE

Details of your supplier (manufacturer /producer /dealer from whom you will source the item or details of premises from where delivery will be made for item 1. to Kimberley Management Area:

Name of Supplier: .....

Physical Address: .....

Telephone Number: .....

E-mail Address: .....

Provide a Break Down of Bid Price:

Cost Component (Specific to your commodity – well researched with the industry) Provision should be made in the item questionnaires for this breakdown)	% Contribution
D1 – Coal Product	
D2 – Labour	
D3 – Packaging	
D4 – Transport	
D 5 – Other, (Specify)	
TOTAL (Cost components must add up to 100%	100 %

NB: IF THE PRODUCT IS NOT DELIVERED ACCORDING TO THE SPECIFICATIONS IT WILL BE RETURNED ON THE SUPPLIERS COST:

ALL APPLICABLE TAXES" includes Value-added tax, pay as you earn income tax, unemployment Insurance fund contributions and skills development levies.

NOTE: According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

Required by: KIMBERLEY SUPPLY CHAIN MANAGEMENT

At : CNR NOBENGULA STREET AND SCHMISDRIFT ROAD

Country of origin : .....

Does the offer comply with the specification? * Yes | No

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

Period required for delivery **WITHIN SEVEN (07) DAYS OF RECEIPT AND CONFIRMATION OF THE APPROVED ORDER**

Delivery basis (al delivery costs must be included in the bid price) **DELIVERED INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN**

Are you the actual manufacturer/dealer (who normally keeps stock of the required items)? * Yes | No

If not, kindly indicate the following: .....

What value will you add to the contract? .....

Details of your supplier (manufacturer/producer/dealer) from whom you will source the item. **IT IS COMPULSARY FOR BIDDERS TO COMPLETE THIS SECTION IN FULL EVEN IF THEY DO NOT MAKE USE OF A THIRD PARTY.**

Name of supplier: .....

Physical Address: .....

Telephone number: .....

E-mail address: .....

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

*Mark the relevant block with an X

correctional services
Department
Correctional Services
REPUBLIC OF SOUTH AFRICA

BD 27

AUTHORISATION DECLARATION: CONFIRMATION OF SUPPLY AND FINANCIAL ARRANGEMENTS BETWEEN THE BIDDER AND THIRD PARTY

BID NUMBER: **KBY 02/2020**

DESCRIPTION: **SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (EIGTH MONTHS) STARTING FROM 1 AUGUST 2021 TO 31 MARCH 2022: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION**

NAME OF BIDDER: _____

CLOSING DATE: **31 MAY 2021**

Are you sourcing the goods or services from a third party? | **YES** | | | **NO** | |

If you have answered YES to the above question, please provide full details from whom the items will be sourced/delivered, in the space provided on the pricing schedule (SBD 3).

DECLARATION BY THE BIDDER WHERE THE BIDDER IS SOURCING THE GOODS OR SERVICES FROM A THIRD PARTY:

1. I, _____ (Bidder) hereby declare the following:

   - The goods or services listed below, is being sourced from a third party in order to comply with the terms and conditions of the bid.
   - The third party has been informed of the terms and conditions of the bid and the third party is acquainted with the said terms and the description of the goods or services listed on the SBD 3.1 (Pricing Schedule).
   - The unconditional written undertaking to supply the goods or services listed in the SBD 3.1 (Pricing Schedule) in accordance with the terms and conditions of the bid document for the duration of the contract has been received from the third party. See confirmation below.
   - It is confirmed that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party.

2. The information contained herein is true and correct.
3. Failure to submit the BD 27 may invalidate the bid.
4. It is acknowledged that the Department reserves the right to verify the information contained herein and if found to be false or incorrect, the Department may invoke any remedies available to it in the bid documents.

SIGNATURE BY THE BIDDER:

Signed at _____ **on the** _____ **day of** _____ **20**__

Signature _____ **Full name** _____

Designation _____

correctional services
Department
Correctional Services
REPUBLIC OF SOUTH AFRICA

BD 27

AUTHORISATION DECLARATION: CONFIRMATION OF SUPPLY AND FINANCIAL ARRANGEMENTS BETWEEN THE BIDDER AND THIRD PARTY

BID NUMBER: **KBY 02/2020**

DESCRIPTION: **SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (EIGTH MONTHS) STARTING FROM 1 AUGUST 2021 TO 31 MARCH 2021: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION**

NAME OF BIDDER: _____

CLOSING DATE: **31 MAY 2021**

THIRD PARTY UNDERTAKING

Note:

- **A separate Undertaking must be completed by each Third Party;**
- **A letter issued on the official letterhead of the third party addressing the information below is acceptable.**

To be completed by the third party

Name of Third Party: _____

Physical Address: _____

Telephone number: _____

Facsimile number: _____

E-mail address: _____

It is hereby confirmed that a mutual agreement has been reached between myself and the bidder is therefore authorised to include the products listed in the SBD 3 (Pricing Schedule).

We confirm that we have firm supply and financial arrangements in place, and have familiarized ourselves with the item descriptions, specifications and bid conditions relating to the item/s listed in the table above.

SIGNATURE BY THE THIRD PARTY:

Signature: _____ **Full name:** _____

Designation: _____

Date: _____

SBD 4

DECLARATION OF INTEREST

(NB: In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act No. 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department)

1. Any legal person, including persons employed by the state[1], or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where –

   - the bidder is employed by the state; and/or

   - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full name of bidder or his or her representative : .....

2.2 Identity number : .....

2.3 Position occupied in the Company (director, trustee, shareholder, member) : .....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust : .....

2.5 Tax Reference Number : .....

2.6 VAT Registration Number : .....

2.6.1 The names of all directors / trustees / shareholders[2] / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

[1]"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.

[2]"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/ shareholder/ member	Name of state institution to which the person is connected	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/shareholders/members or their spouses conduct business with the state in the previous twelve (12) months?

Yes	No

Please provide contactable details of current and previous clients for the supply and delivery of similar items and where the business was gained in the last twelve months by means of a price quotation/bidding process (Reference letters from clients letter head).

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 :

Name of person/ director/ shareholder/ member	Name of state institution to which the person is connected	Position occupied in the state institution	Nature of relationship

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the 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 :

Name of person/ director/ shareholder/ member	Name of state institution to which the person is connected	Position occupied in the state institution	Nature of relationship

2.11 Do you or any of the directors/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 Tax Reference Number	State Employee Number / Persal Number

***Copies of Identity Document must be attached.**

DECLARATION

I, THE UNDERSIGNED (NAME) .....
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPH 2 TO 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THE DECLARATION PROVE TO BE FALSE.

....
SIGNATURE DATE

....
POSITION NAME OF BIDDER

Note : Should the bidder or any of its directors/members or shareholders be employees of any organ of state as contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), such member/director or shareholder must submit a certified copy of the permission granted by the Executive Authority of his/her Department to conduct remunerative work in the Public Service as contemplated in the Public Service Act, 1994 (Act 103 of 1994) Chapter VII, Sections 30 and 31. Failure to submit the proof will automatically invalidate the bid. Knowingly not submitting it will make the person liable for fraud.

SBD 6.1

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.

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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); and

1.2 The value of this bid is estimated to not exceed R1 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an

organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(f) **"Functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **"prices"** includes all applicable taxes less all unconditional discounts;

(h) **"proof of B-BBEE status level of contributor"** means:

1. B-BBEE Status level certificate issued by an authorized body or person;
2. A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
3. Any other requirement prescribed in terms of the B-BBEE Act;

(i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20 **or** **90/10**

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

Where:

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

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

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

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = ...(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

YES		NO	

7.1.1 If yes, indicate:

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

(Tick applicable box)

YES		NO	

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
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		
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

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

8.2 VAT registration number: .....

8.3 Company registration number: .....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[*TICK APPLICABLE BOX*]

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

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-BBBE 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	..... SIGNATURE(S) OF BIDDERS(S)
1.	DATE: .....
2.	ADDRESS .....
	.....
	.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

2. 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.

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

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

4. **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	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (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). **The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the page.**	Yes	No
4.1.1	If so, furnish particulars:		
4.2	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)? **Register for Tender Defaulters can be accessed on National Treasury's website, (www.treasury.gov.za) by clicking on its link at the bottom of the home page.**	Yes	No
4.2.1	If so, furnish particulars:		
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	No
4.3.1	If so, furnish particulars:		

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	No
4.4.1	If so, furnish particulars:		

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[1] 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).[2] 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:

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

[2] 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.

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

BID NUMBER: KBY 02/2020

DESCRIPTION: SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (8 MONTHS) STARTING FROM 1 AUGUST 2021 TO 31 MARCH 2022: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION

in response to the invitation for the bid made by:

DEPARTMENT OF CORRECTIONAL SERVICES – FREE STATE AND NORTHERN CAPE REGION

(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[3] will not be construed as collusive bidding.

[3] 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.

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.

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.

.....	.....
Signature	Date
.....	.....
Position	Name of Bidder

DEPARTMENT OF CORRECTIONAL SERVICES

SPECIAL CONDITIONS OF CONTRACT: GENERAL ITEMS: BID NO. KBY 02/2020

SUPPLY AND DELIVERY OF COAL A-GRADE INTO THE BOILERS AT KIMBERLEY CORRECTIONAL CENTRE (OLD PRISON) KITCHEN: FOR A PERIOD OF 8 MONTHS (EIGTH MONTHS) STARTING FROM 1 AUGUST 2021 TO 31 MARCH 2021: AREA COMMISSIONER KIMBERLEY: DEPARTMENT OF CORRECTIONAL SERVICES: FREE STATE AND NORTHERN CAPE REGION

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1. INTRODUCTION

1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).

1.2 The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

1.3 These conditions form part of the bid and bidders need to familiarize themselves with the content thereof.

2. REGISTRATION ON CENTRAL SUPPLIERS DATABASE

2.1 Bidders need to register on the National Treasury Central Supplier Database in order to do business with the state. Accounting Officers cannot award any bid or price quotations to any supplier who is not registered on the Central Suppliers Database. Bidders must log on www.csd.gov.za for self-registration.

3. CERTIFICATION OF DOCUMENTS BY A COMMISSIONER OF OATH

3.1 Bidders must ensure that all certified copies comply with the Regulation governing the administering of an oath or affirmation. The Commissioner of Oath must append a signature, date and also print out name. Copies that do not comply with this Regulation will be regarded as invalid.

3.2 **The date of certification of the original on all copies submitted should not be older than six (6) months.**

4. CONTRACT PERIOD

4.1 The contract shall be for a period of **eight (8) months, from 1AUGUST 2021 – 31 MARCH 2022**.

5. QUANTITIES

5.1 The quantities furnished in the bid are **estimated quantities** and no guarantee can be given regarding the actual quantities that will be ordered.

6. RESPONSE FIELDS

6.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.

6.2 Bid documents should not be retyped or redrafted.

6.3 The following bid documents must be completed in ink, signed and submitted **in an original format:**

Document	Description
SBD 1	Invitation to Bid
SBD 3	Pricing Schedule
SBD 4	Declaration of Interest
SBD 6.1	Claim Form in Terms of Preferential Procurement Regulations 2017
SBD 8	Declaration of Bidders past SCM Practises
SBD 9	Certificate of Independent Determination

6.4 **No alternative offers may be made for the specified item.**

6.5 Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated in line with the index provided. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.

7. EVALUATION CRITERIA

The evaluation process will be conducted in phases as follows:

Phase 1	Phase 2	Phase 3
Pre-qualifying Criteria	**Mandatory Requirements**	**Price and B-BBEE**
Compliance with pre-qualifying criteria	Compliance with mandatory requirements	Bids evaluated in terms of Preferential Procurement Regulations, 2017

7.1 Phase 1: Pre-qualifying Criteria

7.1.1 The Preferential Procurement Regulations, 2017 prescribes that pre-qualifying must be used to advance designated groups.

7.1.2 **Only bids with a BBBEE level one (1) to four (4) will be considered.**

7.2 Phase 2: Mandatory Requirements

- Suppliers to provide with the bid a certificate indicating the laboratory test results confirming that the coal peas to be supplied meets the bituminous coal "Grade A" specification upon delivery of coal.
- The proximate analysis of coal must be performed under air dry basis
- Suppliers must provide with the bid test results for the type of coal they will be supplying to and ensure that is in line with the required coal "Grade A"'
- The suppliers laboratory should be ISO 17025 accredited by SANAS
- Material (coal peas) should be washed for elimination of excessive fine coal dust prior loading
- Weigh bridge certificate is required upon delivery of the coal peas as confirmation that the required load or quantity is correct

- The awarded supplier will have to deliver the coal peas in a back dipper with a moving floor to enable offloading of coal peas closer to the conveying point to eliminate manual cutting of coal and risk associated with the movement of coal
- Certificate indicating the laboratory test results will be required upon delivery of coal.
- Delivery note should handle and signed by both parties(end-user ,SCM representative and the supplier)
- Coal in transit should be covered in tarpaulins
- Coal peas delivery must take place from Monday to Friday between 08h00 and 13h00
- There should be a visual inspection upon delivery by a competent person, preferably from the end user department
- Pre-visit to the laboratory where the coal is tested, to the weigh bridge where the coal is weighed and to the manufactures of the preferred bidder will be done prior to the final award of the contract and during the running period of the contract when deemed necessary by the client (Department of Correctional Services Representatives) and these visits will not obligate nor binding the Department to appoint the preferred bidder.
- No costs shall be charged by the bidder during the joint visit to respective areas
- The prices will be non-firm pricing and the price adjustments will be done as according to the PPPFA Regulations
- Delivery that does not meet the specified requirements (Grade A) will not be accepted and shall be collected by the supplier at his/her own costs
- The supplier shall be solely responsible for any costs arising from the delivery of coal not meeting bituminous coal Grade "A" requirements as specified
- The bidders are expected to acquaint themselves with all the local conditions ,the accessibility of the site, the full-extent, the nature of operations, the supply and conditions affecting labour carriage, carting offloading, storage and safe custody of materials ,workshop accommodation and associated elements necessary for the execution of the contract in general
- Claims on the grounds of lack of knowledge in such respects or otherwise will not be entertained at all by the client/purchaser(Department Of Correctional Services)
- Deliveries must take place within seven (07) Days of receipt and confirmation of the approved order

7.2.1 Legal Requirements

Coal that is procured must comply with all requirements as stipulated in the following Acts,Notices ,SANS and other applicable Regulations:

- Occupational Health and Safety act 85,1993
- National Environment Management at 107,1998
- Pressure Equipment Regulations ,2009
- SANS: 151, 347, 10227, 10228, 10254
- ISO 17020

The coal must be suitable for the range of old and new generation boilers designed and manufactured between 1976 and 2016 according to the following:

- British Standards Boiler Designs - Afripac Mk4 (boiler and stokers)
- European Norm Boiler Design - Europac Mk1(with Mobrey and/or self –checking water control system

7.2.2 Tax Matters

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

7.2.2.2 The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

7.2.2.3 Bidder must be registered on the **Central Supplier Database (CSD)** and provide its CSD number and TCS Pin as per SBD 1.

7.2.2.4 When a Consortium/ Joint Venture/ Sub-contractors is involved, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Suppliers Database.

N.B: The bid will be awarded to the bidder who is tax compliant.

7.2.3 Certificate: Confirmation of supply arrangements between the bidder and his/her supplier (BD 27)

7.2.3.1 Any bidder who does not normally keep stock of the item and is sourcing the goods and services from a third party (manufacturer/producer or dealer/ distributor who normally keeps stock) for the purpose of delivering the item to the Department, must ensure that the attached BD 27 is completed by his/her supplier after they have familiarised themselves with the item(s) / description(s) / specifications and conditions of the bid for all relevant goods and services required from this bid. **Failure to submit a signed/original certified (BD 27) signed by the bidder and his/her supplier will invalidate the bid**.

7.2.3.2 Third parties must especially acquaint themselves with the conditions applicable to price increases.

7.2.3.3 An original / certified letter issued on the official letterhead of the third party addressing the information below is acceptable.

7.2.3.4 The bidder must ensure that the supply arrangements for the required goods and services have been mutually agreed upon with his/her supplier. No agreement between the bidder and his/her supplier will be binding on the Department.

7.2.3.5 The Department reserves the right to verify any information supplied by the bidder and should the information be found to be false or incorrect, it will invalidate your bid.

7.2.3.6 If a contract has been concluded on the basis of sourcing the product(s) from a manufacturer/dealer, distributor and the bidder for some or the other reason change the manufacturer/dealer, the Department should immediately be notified and a new BD 27-form (confirmation of supply arrangements between the bidder and his/her supplier) should be submitted.

7.2.3.7 The Department will only accept an original or certified copy of the completed and signed BD 27 and it must be attached with the standard bidding documents.

7.2.4 Local Content

7.2.4.1 No offers with regard to imported products will be considered.

7.2.5 Standards/Specifications

7.2.5.1 Bidders are required to comply with the attached National Department of Correctional Services Product Specification:

7.2.6 **Failure to comply with all requirements stipulated in paragraph 7.2. will invalidate your bid**.

7.3 **Phase 3: Price and B-BBEE**

7.3.2 In terms of Regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the Department on the **80/20 or 90/10-preference** point system in terms of which points are awarded to bidders on the basis of:

a) **Bid price (maximum 80/90 points)**
b) **B-BBEE status level of contributor (maximum 20/10 points)**

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

Cases with a Rand value below R50 million (all applicable taxes included)	Cases with a Rand value exceeding R50 million (all applicable taxes included)
$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$	$Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$

Where :		
PS	=	Points scored for comparative price of bid or offer under consideration
Pt	=	Comparative price of bid or offer under consideration
Pmin	=	Comparative price of lowest acceptable bid or offer

7.3.4 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

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

7.3.5 Bidders are required to complete the preference claim form (SBD 6.1), and submit a valid and original/originally certified copy of B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point. **The date of certification of the original should not be older than six (6) months**.

7.3.6 Preference points will be allocated to bidders who have completed and signed the declaration part of the preference claim form on the SBD 6.1 and who have substantiated their claim for B-BBEE points by submitted a B-BBEE status level certificate issued by the following verification agencies:

7.3.6.1 *Bidders other than EMEs and QSE,s*

a) Verification agencies accredited by SANAS; or

7.3.6.2 *Bidders who qualify as EMEs* and QSE's

a) Sworn affidavit signed by the EMEs and QSEs representative and attested by a Commissioner of Oaths.

Bidders can access the sworn affidavits templates on https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp

7.3.7 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.

7.3.8 Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.

7.3.9 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

7.3.10 Failure on the part of the bidder to comply with paragraphs 5.3.4 and 5.3.5 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).

7.3.11 The points scored will be rounded off to the nearest 2 decimals.

7.4 **Phase 4: Awarding of bids**

7.4.2 A bid must be awarded to the bidder who scored the highest total number of points in terms of the preference point systems (price and B-BBEE points), unless objective criteria in terms of section 2(1)(f) of the Act justify the award of the bid to another bidder.

7.4.3 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

7.4.4 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

8. VALUE ADDED TAX

8.1 All bid prices are inclusive of 15% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.

9. DECLARATION Of INTEREST (SBD 4)

9.1 It is important that bidders acquaint themselves with the content of the Declaration of Interest (SBD 4).

9.2 A bidder or his/her authorised representative is required to declare his/her position in relation to the evaluating/adjudicating authority and/or **take an oath declaring his/her interest, where -**

a) The bidder is employed by the state; and/or

b) The legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

9.3 The Declaration of Interest (SBD 4) must be completed in full.

9.4 Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, and this Department will act against such bidder (company) and/or it's Directors in terms of paragraph 23 of the General Conditions of Contract.

10. PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS

10.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.

10.2 **The Public Administration Act, 2014 (Act no. 11 of 2014), chapter 3, section 8(2)(a) specifies that an employee of the State may not conduct business with the State.**

10.3 Bidders having a kinship with persons employed by the state, including a blood relationship, must declare their interest on the SBD 4 (Declaration of Interest).

11. FRONTING

11.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:

a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.
b) The Department of Correctional Services, in ensuring that bidders conduct themselves in an honest manner will as part of the bid evaluation processes, conduct or initiate the necessary enquiries, investigations to determine the accuracy of the representations made in the bid documents.

11.2 Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/ investigation, the onus will be on the bidder/ contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from the date of notification may invalidate the bid/ contract and may also result in the restriction of the bidder/ contractor to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the Department may have against the bidder/ contractor concerned.

12. PRICE AND PRICE QUALIFICATION

12.1 Prices submitted for this bid will be regarded as Firm prices.

12.2 Prices shall be quoted in South African currency.

12.3 The bid prices shall be given in the units shown.

12.4 Prices must be inclusive of delivery cost and all applicable taxes.

13. CONTRACT PRICE ADJUSTMENTS

13.1 Formula

13.1.1 Prices submitted for this bid will be regarded as firm.

13.1.2 Requests for prices adjustment(s) will not be allowed, due to the fact that the contract will run for only eight (8) months.

14. SUBMISSION OF BIDS

14.1 Each bid should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed.

14.2 Bids received by post, courier or similar services should administratively dealt with by the SCM Unit and be immediately be channelled to the physical address where bids are received.

14.3 Bids received after the closing time at physical address indicated in the bid documents , must be considered as late and be dealt with accordingly

15. LATE BIDS

15.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.

16. COMMUNICATION

16.1 No communication with any Procurement Official will be allowed during the running period of the bid.

16.2 Communication after the closing date of the bid must be in writing and addressed to Mr MF Nofemela **(nofemela.mvuyisi@dcs.gov.za)**

16.3 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.

17. COUNTER CONDITIONS

17.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

18. VENDOR ASSESSMENT (CAPABILITY AND FINANCIAL ABILITY)

18.1 The Department will have the right to confirm the ability of bidders to execute this contract successfully. This includes an investigation by the Department or its appointee of the following:

a) The bidder's financial position to execute the contracts,

b) Previous contracts executed and current contracts (SBD 4 and SBD 8 must completed),

c) Delivery **periods, quality and quantity of products.**

18.2 **Please provide contactable details of current and previous clients for the supply and delivery of similar items and where the business was gained in the last twelve months by means of a price quotation/bidding process (Reference letters from client's letter head).**

18.3 The premises/factory of the bidder or contractor should be open at all reasonable hour for inspection by a representative of the Department and/or its approved institution.

18.4 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his/her offer will be regarded as not acceptable**.

19. NEGOTIATIONS

19.1 The Department reserves the right to negotiate with bidders prior to the award of the bid.

20. ORDERS/DELIVERIES/DELIVERY BASIS

20.1 Before delivery of any product on this contract is conducted, the contractor must be in possession of an official order issued by an authorized official of the Department.

20.2 Products must be delivered and off loaded by the contractor at the institution (**Kimberly correctional centre: Schmidtsdrift Road, Kimberly**) where it is required in the presence of a representative of the Company and a production workshop /end user and SCM officials of the Department of Correctional Services.

20.3 Delivery will be accepted on weekdays between **8:00 and 13:00**.

20.4 All deliveries and dispatches must be accompanied by a delivery note stating the official order number against which the delivery is affected.

20.5 Deliveries not complying with the order/specifications will be returned to the contractor at the contractor's expense. The equipment/goods will be inspected by relevant production workshop officials/end user of the Department of Correctional Services in the presence of the supplier, should any deviations from the specifications occur during inspection, the equipment/goods will not be accepted.

20.6 The Department of Correctional Services may postpone or delay deliveries if it finds itself in any such position, as a result of circumstances beyond its control, which will make it impossible to comply with the specified delivery dates.

21. PACKAGING

21.1 If applicable, your attention is drawn to the packaging requirements stipulated in the specification.

21.2 Coal in transit should be covered in tarpaulins

21.3 Suppliers to provide a certificate indicating the laboratory test results confirming that the coal peas supplied meets the bituminous coal "Grade A" specification upon delivery of coal.

21.4 Weigh bridge certificate is required upon delivery of the coal peas as confirmation that the required load or quantity is correct

22. CONTRACT MANAGEMENT

22.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.

22.2 Contractor must inform the relevant Institution immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

23. PENALTIES

23.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)

23.2 The following formula will be utilized for this purpose :

$$Penalty = \left(Vx \frac{10}{100} \right) x\ N$$

V = Value of delayed goods or services
N = Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.

23.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads "Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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."

23.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.) during the window period of two months, following the occurrence of the unsatisfactory performance.

24. PAYMENTS

24.1 Payments will only be effected by the Department in the following cases:

24.1.1 The successful completion of a deliverable/ service in line with the specification/ terms of reference.

24.1.2 Invoices should be delivered/posted or e-mailed to reach the institution that placed the order, timeously.

24.1.3 The invoices must be accompanied by an inspection certificate and/or proof of delivery.

24.2 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

25. SETTLEMENT OF DISPUTES

25.1 Should any dispute arise from the contract paragraph 27 of the General Conditions of Contract shall apply.

27. PREVENTATIVE MEASURES FOR COVID-19 DISASTER

27.1 Service Providers must at all times ensure compliance with the preventative measures as Espoused by the National Department of Health in combating the spread of COVID-19.

27.2 Your company are requested to either provide this office with your disaster plan in terms of COVID-19 or an assurance letter which details preventative mechanism for COVID-19.

The content of these Special Conditions have been noted and accepted.

Signature of Bidder: _____.

Name: _____.

Date: _____.

CHECKLIST: COMPILATION OF BID DOCUMENTS FOR THE SUPPLY AND DELIVERY OF COAL PIECES – A GRADE			
		Yes	No
1.	Did you take note that bids submitted per mail must be sent per registered mail (See cover letter to bid document)?		
2.	Have you attached certified copies of your ID documents? (Certification may not be older than six (6) months) (See cover letter to bid document)?		
3.	Are you registered on the Central Supplier Database, and is the report attached? **(BD 4.1 Special Conditions of Contract, Paragraph 2.1)**		
4.	Did you take note that quantities are only estimated and cannot be guaranteed? **(BD 4.1 Special Conditions of Contract, Paragraph 5.1)**		
5.	Did you sign the SBD 1 form? **(BD 4.1 Special Conditions of Contract, Paragraph 6.3)**		
6.	Are your tax matters in order on the Central Supplier Database? **(BD 4.1 Special Conditions of Contract, Paragraph 7.2.1.1)**		
7.	Did you complete and signed the BD 27? **(BD 4.1 Special Conditions of Contract, Paragraph 7.2.3.1)**		
8.	If you are not the actual manufacturer and source the products from another company, did you obtain and attach a supplier's originally signed letter? **(BD 4.1 Special Conditions of Contract, Paragraph 7.2.3.3)**		
9.	Did you take note that no imported products will be accepted? **(BD 4.1 Special Conditions of Contract, Paragraph 7.2.4.1)**		
10.	Is the SBD 4 (Declaration of interest) completed and signed as required? **(BD 4.1 Special Conditions of Contract, Paragraph 9.3)**		
11.	Did you take note that non-firm prices (including VAT) are called for? **(Pricing Schedule form SBD 3.2 and BD 4.1 Special Conditions of Contract, Paragraph 12.1)**		
12.	Is the SBD 6.1-form completed and signed and has documentary proof of points claimed been provided?		
13.	Is the SBD 8 completed and signed as required?		
14.	Is the SBD 9 completed and signed as required?		
15.	Take note that no late bids will be considered!		

BIDDER SIGNATURE **DATE**

ACKNOWLEDGEMENT OF RECEIPT

I, the undersigned, acknowledge receipt of a complete set of price quotation documents with the following attached documents:

- GENERAL CONDITIONS OF CONTRACT
- BD 4.1 SPECIAL CONDITIONS – GENERAL ITEMS

I accept the conditions, specifications and requirements in all respects as stipulated therein. I am aware of the required supportive documents that need to be attached to this bid and that failure to comply with the said requirements / conditions of bidding will invalidate my bid.

NAME OF BIDDER: _____

SIGNATURE OF BIDDER: _____

DATE: _____

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions,

fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

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

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information ; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier

shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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 ten (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 :

(a) the name and address of the supplier and/or person restricted by the purchaser;
(b) the date of commencement of the restriction'
(c) the period of restriction; and
(d) the reasons for the restriction.

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

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

with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury Website.

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing Language

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

30. Applicable Law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and Duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

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

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

issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

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

34. Prohibition of Restrictive Practices

34.1 In terms of Section 4(1)b)(iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) was/were 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.

The content of these General Conditions of Contract have been noted and accepted.

Signature of Bidder: _____.

Name: _____.

Date: _____.

General Conditions of Contract (revised July 2010)