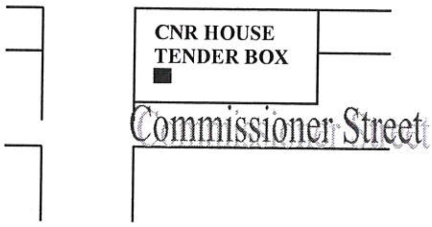
PLEASE TAKE NOTE **TENDER NUMBER: COGTA 13/2022**

CLOSING TIME: 11:00 **CLOSING DATE: 12 DECEMBER 2022**

DOCUMENTS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL, AS A RULE THEY WILL NOT BE ACCEPTED FOR CONSIDERATION

DOCUMENTS MUST BE SIGNED IN THE ORIGINAL THAT IS IN INK. DOCUMENTS WITH PHOTOCOPIED SIGNATURES OR OTHER SUCH REPRODUCTION OF SIGNATURES WILL BE REJECTED



The Tender Document must be Deposited in the Tender Box Which is identified as the Tender Box of the Gauteng Department of Co-operative Governance and Traditional Affairs Commissioner and Sauer Street Marshalltown 2107

TENDERERS SHOULD ENSURE THAT TENDERS ARE DELIVERED TIMEOUSLY AT THE CORRECT ADDRESS

SUBMIT ALL TENDERS ON THE OFFICIAL TENDER FORMS – DO NOT RETYPE

TENDERS BY TELEGRAM, FACSIMILE OR OTHER APPARATUS WILL NOT BE ACCEPTED FOR CONSIDERATION

SUBMIT EACH TENDER IN SEPARATE SEALED ENVELOP

[GPG 3]

GAUTENG PROVINCE

CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

Tender Notice & Invitation to Tender

TENDER NO: COGTA 13/2022

Tender Number	**Service**	**Evaluation Criteria**	**Compulsory Briefing Session**	**Tender Closing Date and Time**
COGTA 13/2022	Conduct an Electricity Meter Audit, Commission an Online Meter Management System and Installation of Electricity Meters for Industrial/Commercial Consumers in Merafong City Local Municipality	Price =80 Equity=20 (Please refer to the B-BBEE Equity points allocation below)	Date: 23 November 2022 Time: 11H00 Venue: Zealandia Boardroom,Block B, Riverview Park, 11 Janadel Avenue, Midrand	Date: 12 December 2022 Time : 11H00

BBBEE Equity Points Allocation Table

B-BBEE Status Level of Contributor	**80/20**
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non Contributor	0

TECHNICAL EVALUATION (100 FUNCTIONALITY POINTS)

The technical evaluation will focus on the following aspects: Value Matrix: 0 = No document attached, 1 = Poor, 2= Average, 3 =Good, 4 =Very Good, 5 =Excellent

FUNCTIONALITY ITEM	**WEIGHTING FACTOR**
Expertise	30
Methodology	40
Personnel/Capacity	30
Total Points for Functionality	**100**
Minimum Threshold for Functionality	**70**

Bidders who fails to meet the minimum **requirements/threshold in relation to Functionality Evaluation (70)** will not be evaluated further.

- **Mandatory Requirements for Tenders**. Service providers who intend to respond to the tender invitation must attend the compulsory briefing session and ensure that they sign the attendance register. Completion, signing and submission of all Bid Documents and Pricing Schedules, SBD 1,3.3,4 and 6.1. The use of correction fluid (tippex) when correcting errors on SBDs is prohibited; strike through the error, correct it and initial the corrections. Bid Documents should bear the original signature of an authorised person (Proof of Authority must be submitted e.g. Company Resolution); electronic submissions will not be accepted. In the case of Joint Venture/Consortium, a joint venture/consortium agreement bearing the signature of all the parties to the joint venture/consortium, should be attached and notarised by an attorney. If the bidder intends to sub-contract, a sub-contracting agreement should be attached and signed by all parties to the sub-contracting agreement. The % (percentage) to be sub-contracted must be clearly indicated in the contract and SBD 6.1, section 7.1.1. Proposals submitted after the stipulated closing time and date will not be accepted.

Additional requirements for tenders: In order to verify the tax status of bidders, bidders are required to submit Tax (PIN) from SARS;Only suppliers (including all parties to Joint Ventures/Consortiums and sub-contractors) who are registered on the Central Supplier Database (CSD), www.csd.gov.za will be considered for appointment. (Proof to be attached);A Certified copy of a SANAS accredited valid BBBEE Certificate/ Sworn Affidavit , Copies of the company registration documents (CIPC);Certified copies of Directors/ Shareholders' IDs;Latest Audited Annual Financial Statement/ letter from accountant for new or dormant entities;Detailed company profile.

The Department adheres to all relevant **Acts, including BBBEE Act; No 53 of 2003, PPPF Act No 5 of 2000** with its associated amended Preferential regulations 2017.

Enquiries may be addressed to the Project Managers: Dr. Isaac Salagae at isaac.salagae@gauteng.gov.za ; Ms Philile Dlamini at philile.dlamini@gauteng.gov.za and Supply Chain Management: Ms. Phumzile Malgas at phumzile.malgas@gauteng.gov.za or Ms Mahlatse Madiba at mahlatse.madiba@gauteng.gov.za

Tender documents are available on the Gauteng etender portal: http://e-tenders.gauteng.gov.za

Please Note: All information and documents will be treated in accordance with POPI Act.

Completed tender documents should be sealed in an envelope clearly marked with the relevant tender number (COGTA 13/2022 and description. Tender documents should be delivered in the tender box at reception, Provincial Disaster Management Centre, 11 Janadel Avenue, Block B, Riverview Park, Midrand not later than 11:00 am on or before 12 December 2022.

Faxed, electronic or late submissions will not be accepted.
Only companies who have submitted all of the above information will be considered for evaluation process. The Gauteng Department of Co-operative Governance and Traditional Affairs is under no obligation to give reasons for non-acceptance /rejection of any submission. All short listed bidders will be subjected to undergo a security screening in terms of Section 2 (1) (b) of the National Strategic Intelligence Act 67 of 2002 as amended. Should the results come back negative, the contract with the service provider will be terminated.

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CO-OPERATIVE GOVERNAMCE AND TRADITIONAL AFFAIRS					
BID NUMBER:	COGTA 13 /2022	CLOSING DATE:	12 DECEMBER 2022	CLOSING TIME:	11: 00
DESCRIPTION	CONDUCT AN ELECTRICITY METER AUDIT, COMMISSION AN ONLINE METER MANAGEMENT SYSTEM AND INSTALLATION OF ELECTRICITY METERS FOR INDUSTRIAL/COMMERCIAL CONSUMERS IN MERAFONG CITY LOCAL MUNICIPALITY				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*					
TENDER BOX AT RECEPTION					
PROVINCIAL DISASTER MANAGEMENT CENTRE					
NO. 11 JANADEL AVENUE, BLOCK B, RIVERVIEW OFFICE PARK, MIDRAND					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Phumzile Malgas**	CONTACT PERSON	**Isaac Salagae**
TELEPHONE NUMBER	**N/A**	TELEPHONE NUMBER	**N/A**
FACSIMILE NUMBER	**N/A**	FACSIMILE NUMBER	**N/A**
E-MAIL ADDRESS	**Phumzile.malgas@gauteng.gov.za**	E-MAIL ADDRESS	**Isaac.salagae@gauteng.gov.za**

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					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

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

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.

2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER: ……………………………………………

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

DATE: ……………………………………………

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: ....
CLOSING TIME 11:00	CLOSING DATE................................

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R...

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

PERSON AND POSITION	HOURLY RATE	DAILY RATE
--	R----------------------------	-------------------------------
--	R----------------------------	-------------------------------
--	R----------------------------	-------------------------------
--	R----------------------------	-------------------------------
--	R----------------------------	-------------------------------

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

--	R----------------------------	------------------------ days
--	R----------------------------	------------------------ days
--	R----------------------------	------------------------ days
--	R----------------------------	------------------------ days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

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

TOTAL: R...

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

Bid No.: ....

Name of Bidder: ....

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

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

TOTAL: R...

6. Period required for commencement with project after acceptance of bid ....

7. Estimated man-days for completion of project ....

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ....

....

....

....

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

GAUTENG DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Ms. Phumzile Malgas/ Ms Mahlatse Madiba

Email: Phumzile.malgas@gauteng.gov.za/ mahlatse.madiba@gauteng.gov.za

Or for technical information –

Dr Isaac Salagae/ Ms Philile Dlamini

Email: isaac.salagae@gauteng.gov.za/ philile.dlamini@gauteng.gov.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

....

....

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

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

………………………………………………………………………………………

………………………………………………………………………………………

3 DECLARATION

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

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998

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

and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

………………………………	………………………………………………
Signature	Date
………………………………	………………………………………………
Position	Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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

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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
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

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

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

1.3 Points for this bid shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contributor.

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

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

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

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

2. DEFINITIONS

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

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

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

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

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

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

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

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

1) B-BBEE Status level certificate issued by an authorized body or person;

2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

3) Any other requirement prescribed in terms of the B-BBEE Act;

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

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

3. POINTS AWARDED FOR PRICE

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

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

80/20 or **90/10**

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

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 (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

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

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

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

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

7. SUB-CONTRACTING

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

(***Tick applicable box***)

YES		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:……………………………

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution.

WITNESSES	
1. ……………………………………….	…………………………………………
	SIGNATURE(S) OF BIDDERS(S)
2. ……………………………………….	DATE: ……………………………………
	ADDRESS ……………………………………
	……………………………………
	……………………………………

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AN ELECTRICITY METER AUDIT, COMMISSION AN ONLINE METER MANAGEMENT SYSTEM AND INSTALLATION OF ELECTRICITY METERS FOR INDUSTRIAL/COMMERCIAL CONSUMERS IN MERAFONG CITY LOCAL MUNICIPALITY

METER AUDIT, ONLINE METER MANAGEMENT SYSTEM AND INSTALLATION OF METERS TOR

1. PURPOSE

To present the proposed Terms of Reference (TOR) for appointment of a service provider in technical/infrastructure to do an electricity meter audit, install and commission an online meter management system and installation of electricity meters for industrial/commercial consumers in Merafong City Local Municipality (MCLM).

2. BACKGROUND

The electricity losses are the results of technical and non-technical losses which are termed distribution losses. The technical losses are attributed to the inherent network losses which are the results of electricity transmission and distribution from the point of supply to the point of consumption. The electrical equipment such as transformers, cables, power lines, switchgears, metering equipment, etc. contribute significantly to the technical losses.

Non-technical losses are the losses that any power utility, including Merafong City Local Municipality, can do something about. These relate to the major challenge of the non-technical losses which are attributed to administrative errors; illegal connections; professional theft of electricity; tampering with metering devises; unmetered connections; employees' fraudulent conduct and under billing/metering of connected loads. The management of these non-technical losses is essential due to the amount of revenue lost. One of the impact initiatives to curb losses is Large Power Users (LPU) meter installation and verification.

LPU customers contribute the highest in revenue averaging 64% across the municipalities and has the lowest number of customers. General challenges relate to among others:

- Inefficient metering of LPUs leading to revenue losses;
- Inaccurate billing of LPUs leading to revenue losses;
- Electricity theft by LPUs due to incomplete and inaccurate billing data on LPUs; and
- Loss of revenue due to incorrect tariffs.

The Merafong City Local Municipality (MCLM) developed a plan for online metering system and audit and replacement of meters for LPUs. However due to competing priorities this plan has not been implemented.

3. PROJECT OBJECTIVES

3.1 The project is aimed at achieving the following:

- Replace all dysfunctional/faulty reading meters;
- Setup a remote meter service system to manage all meters;
- Reducing the losses in the Industrial/Commercial sector of the Municipality electricity customers;

- Provide quality and improved Municipal billing service to the Industrial/Commercial base;
- Improve the integrity in the metering system and improve the collection of accounts.

4. KEY RESPONSIBILITIES OF PARTIES

6.1 The responsibilities of the service provider in this project will be to

- Appoint a project manager who will be responsible for the overall project and report to the COGTA project manager.
- Establish client requirements and preferences, assess user needs and options, appointment of necessary specialist service providers, establish the project brief including project objectives, priorities, constraints, assumptions aspirations and strategies.
- Prepare a project charter. Prepare and finalise the project concept in accordance with the brief, including timelines, scale, risks, plus preliminary programme of the project.
- Produce monthly progress reports for the project team.
- Produce a close out report on meter audit, online metering system and installation of meters.
- Meet with the Appointed project Steering Committee bi-monthly.

6.2 The responsibilities of COGTA- Energy office will be:

- Appoint a Project Manager to whom the service provider will report to;
- Establish a project steering committee to monitor the project, assure quality and approve the project deliverables at each stage;
- Arrange a project initiation briefing session and subsequent project team meetings with the service provider;
- Arrange stakeholder engagements; and
- Process the payments upon submission of agreed deliverables.

6.3 The responsibilities of Merafong City Local Municipality:

- Appoint a Municipal Project Manager to whom the service provider will liase with at the municipality;
- Be part of the project steering committee that monitors the project, assures quality and approves the project deliverables at each stage;
- Sign off monthly reports from the service provider after satisfactory project deliverables for the month have been achieved and correctly captured;
- Arrange site visits for the project and address blockages that affect the project; and
- Write introduction letters to the large power users selected for the project.

METER AUDIT, ONLINE METER MANAGEMENT SYSTEM AND INSTALLATION OF METERS TOR

5. DURATION

The project is multi-year project, which is anticipated to commence in the 2022/23 financial year, for a period of 36 Months from the day of signing the SLA as and when required.

6. PROJECT SCOPE

The Service provider will perform the following functions:

6.1 Technical Audit of Meters to identify the needs

6.1.1 To conduct an assessment on status of the meters

6.2 Commission, install and setup an Online Meter Management platform

6.2.1 to install, commission, maintain and manage meter data acquisition systems, for the duration of the project, for large power users and other metering points identified by and on behalf of MCLM, in accordance with SANS 474:2018 Ed2 (NRS 057) and NRS 049:2008 and NRS 071, train and handover the system to MCLM officials at end of installation, testing and commissioning of the system;

6.2.2 to continuously attend to all communication, equipment and other functional related problems;

6.2.3 to supply GPRS modems or Outage notification Modems for communicating with meters;

6.2.4 to provide a meter data management service;

6.2.5 to provide suitably formatted monthly billing file, that can be uploaded, integrated and interpreted by the municipal billing system;

6.2.6 to provide a customer web portal;

6.2.7 to effectively deal with and manage customer queries related to the service;

6.2.8 to verify the correctness of the existing metering equipment to ensure that it complies to the minimum requirements of MCLM; and

6.2.9 to provide a software-based meter fault log.

6.3 Supply and Install Meters

6.3.1 Identify and Install meters of the recommended level of integrity according to the specifications of the Online Reading platform.

7. SKILLS AND EXPERIENCE REQUIRED

The successful service provider should demonstrate the following:

- A proven track record of extensive knowledge and experience in the South African energy sector.
- A proven track record of ability to profile sectors and develop policies, strategies, plans or similar reports. Areas of expertise not limited to:
  - field of electricity metering
  - online metering system
  - electrical engineering

- A project team with the necessary qualifications, skills and experience, including electricity metering and electrical engineering.

8. TENDER VALIDITY PERIOD

Please note that the price offer to be valid for 90 days from the date of closing.

9. MANDATORY CRITERIA

Administrative Compliance (Mandatory Returnable Documents)

- Service providers who intend to respond to the tender invitation **must** attend the compulsory briefing session and ensure that they sign the attendance register;
- Completion, signing and submission of all Standard Bid Documents, SBD 1,3.3,4 and 6.1; (The use of correction fluid (tippex) when correcting errors on SBDs is prohibited; strike through the error, correct it and initial the corrections);
- Bid Documents should bear the original signature of an authorised person (Proof of Authority must be submitted e.g. Company Resolution); electronic submissions will not be accepted;
- In the case of Joint Venture/Consortium, a joint venture/consortium agreement bearing the signature of all the parties to the joint venture/consortium, should be attached and notarised by an attorney;
- If the bidder intends to sub-contract, a sub-contracting agreement should be attached and signed by all parties to the sub-contracting agreement. The % (percentage) to be sub-contracted **must** be clearly indicated in the contract and SBD 6.1, section 7.1.1;
- Proposals submitted after the stipulated closing time and date will not be accepted.

Note Failure to comply with mandatory compliance requirements stated above will result in the bidder's submission being disqualified.

10. ADDITIONAL DOCUMENTATION

The following additional information is required:

- In order to verify the tax status of bidders, bidders are required to submit their "Tax Compliance Status Pin". (Joint ventures/consortium must submit a valid Tax Compliance Status Pin" for all parties to a Joint Venture/Consortium).
- Only suppliers (including all parties to Joint Ventures/Consortiums and sub-contractors) who are registered on the Central Supplier Database (CSD), www.csd.gov.za will be considered for appointment. (Proof to be attached).
- A Certified copy of a SANAS accredited valid BBBEE Certificate/ Sworn Affidavit. (Joint ventures/consortium must submit a valid consolidated BBBEE certificate).
- Copies of the company registration documents (CIPC)
- Certified copies of Directors/ Shareholders' IDs
- Latest Audited Annual Financial Statement/ letter from accountant for new or dormant entities
- Detailed company profile

11. EVALUATION CRITERIA

FUNCTIONALITY ITEM	FUNCTIONALITY BREAKDOWN	WEIGHTS	MAXIMUM POSSIBLE POINTS
Expertise (30)	**The prospective bidder shall provide details of which South African National Accreditation System (SANAS) accredited laboratory will be used to provide the required calibration service along with copies of a contractual agreement or memorandum of understanding that these services will be provided for the duration of this contract.** • Details of SANAS accredited laboratory that will be used to provide the required calibration service along with copies of a contractual agreement or memorandum of understanding that these services will be provided for the duration of this contract = 5 • No details of SANAS accredited laboratory that will be used to provide the required calibration service along with copies of a contractual agreement or memorandum of understanding that these services will be provided for the duration of this contract = 0	5	25
	All critical servers and other related IT equipment required for the Automatic Meter Reading (AMR)/Meter Data Management System (MDMS) solution are hosted at a secure data centre owned and operated by one of the South African Tier-One Internet Service Providers (Internet Service Provider that does not purchase Internet from any other provider). Attach proof of this. • Proof attached that all critical servers and other related IT equipment required for the AMR/MDMS solution are hosted at a secure data centre owned and operated by one of the South African Tier-One Internet Service	5	25

	Providers (Internet Service Provider that does not purchase Internet from any other provider). = 5 • No proof attached that all critical servers and other related IT equipment required for the AMR/MDMS solution are hosted at a secure data centre owned and operated by one of the South African Tier-One Internet Service Providers (Internet Service Provider that does not purchase Internet from any other provider) = 0 **The bidder operates at least two private Access Point Names (APNs), each provided by a different first-tier cellular data provider (Internet Service Provider that does not purchase Internet from any other provider).** • Attached proof/letter of intent that the bidder operates at least two private APNs, each provided by a different first-tier cellular data provider (Internet Service Provider that does not purchase Internet from any other provider). = 5 • Attached proof that the bidder operates at least two private APNs, each provided by a different first-tier cellular data provider (Internet Service Provider that does not purchase Internet from any other provider). = 0	**5**	**25**
	Phasor analysis - The MDMS shall have the provision to allow users to view phasor graphs in polar format, clearly showing the amplitude and angular relationship of the three phase voltages and currents. **The phasor graphs shall be accompanied by tabular data depicting the actual instantaneous values of voltage, current, active, reactive and apparent power and power factor per phase.** **Attach proof of this.**	**5**	**25**

	• Proof provided that the MDMS will provide phasor analysis for users = 5 • No proof provided that the MDMS will provide phasor analysis for users = 0 **Provide 5 appointment letters together with corresponding reference letters for similar work previously done of a remote metering service in South Africa on large power users. The Appointment letters and reference letters should meet the following criteria, or no points will be allocated:** • Signed by the entity where work was done. • On the letter head of the entity to which services were provided. • In the name of the bidder, and • The reference letters should state that the client was satisfied with the services rendered. • 5 appointment letters with corresponding reference letters meeting all above criteria from client where the service was rendered. If the above criteria are met = 5 • 4 appointment letters with corresponding reference letters meeting all above from client where the service was rendered. If the above criteria are met = 4 • 3 appointment letters with corresponding reference letters meeting all above criteria from client where the service was rendered. If the above criteria are met = 3 • 2 appointment letters with corresponding reference letters meeting all above criteria from client where the service was rendered. If the above criteria are met = 2 • 1 appointment letters with corresponding reference letters	**5** **5**	**25** **25**

	meeting all above from client where the service was rendered. If the above criteria are met = 1 • No appointment letters/ No References letters/ reference letters not meeting criteria = 0 **Detailed Company profile** • Provide a detailed company profile, indicating: ▪ Organogram ▪ Mission, Vision and Values. ▪ Company offerings. ▪ Roles and Responsibilities of the resources associated with the project. ▪ Physical address. • If all 5 criteria above are met = 5 • If any 4 criteria above are met = 4 • If any 3 criteria above are met = 3 • If any 2 criteria above are met = 2 • If any 1 criterion above are met = 1 • No company profile provided/ no company profile provided/ company profile not meeting any one of the elements = 0		
Methodology (40)	**Demonstrate an understanding of the deliverables by describing how:** • **the online metering system will be installed;** • **the online metering system and commissioned;** • **LPUs meters will be audited;** • **LPUs meters will be replaced; and** • **LPUs meters will be managed.** • If all 5 criteria above are met = 5 • If any 4 criteria above are met = 4 • If any 3 criteria above are met = 3 • If any 2 criteria above are met = 2 • If any 1 criterion above are met = 1 • If any no criterion above is met = 0	**20**	**100**

	Provide a detailed project plan aligned to the three focus areas in 6.1, 6.2 and 6.3 with the following 3 listed items: 1. Budget 2. Human resource allocation (based on the 3 focus areas), 3. Timeframe not more than 36 months. **Note: All three focus areas in 6.1, 6.2 and 6.3 should be addressed for points allocation.** • Provide a detailed project plan with the following 3 items listed: 1. Budget, 2. human resource allocation 3. timeframes **not more than 36 months** If all 3 criteria are met = 5 • Provide a detailed project plan with the any 2 of the items listed above: = 3 • Provide a detailed project plan with the any 1 of the items listed above: = 1 • No project plan attached/ project plan not based on two focus areas/ project plan that does not meet any one of the listed items = 0	20	100
Project Team (30)	**Provide 5 CVs with certified copies of educational qualifications. Qualification documents, ECSA and trade test certificates must be certified. The certified copies must be in its original state and must not be older than three months.** **NOTE: Only the first 10 CVs attached in the proposal will be assessed.** **QUALIFICATIONS** ▪ **One** member must have a bachelor's degree in electrical engineering and registered as professional engineer or professional technologist with ECSA, and **four** other members must have a diploma/degree in electrical engineering or	20	100

	qualified electricians with trade test certificate. (Clearly outlined in the CV) = 5 ▪ **Four** members must have a diploma/degree in electrical engineering or qualified electricians with trade test certificate. (Clearly outlined in the CV) = 4 ▪ **Three** members must have a diploma/degree in electrical engineering or qualified electricians with trade test certificate. (Clearly outlined in the CV) = 3 ▪ **Two** members must have a diploma/degree in electrical engineering or qualified electricians with trade test certificate. (Clearly outlined in the CV) = 2 ▪ **One** member must have a diploma/degree in electrical engineering or qualified electricians with trade test certificate. (Clearly outlined in the CV) = 1 ▪ Criteria not met = 0			
	EXPERIENCE ▪ All **five** members must have a minimum of five years' experience in similar projects. (Clearly outlined in the CV) = 5 ▪ **Four** members must have a minimum of five years' experience in similar projects. (Clearly outlined in the CV) = 4	**10**	**50**	

	▪ **Three** members must have a minimum of five years' experience in similar projects. (Clearly outlined in the CV) = 3 ▪ **Two** members must have a minimum of five years' experience in similar projects. (Clearly outlined in the CV) = 2 ▪ **One** member must have a minimum of five years' experience in similar projects. (Clearly outlined in the CV) = 1 ▪ Criteria not met = 0 **If documents are not certified no points will be allocated.**		
	TOTAL FUNCTIONALITY POINTS	**100**	**500**
	MINIMUM THRESHOLD FOR FUNCTIONALITY	**70**	**350**

The minimum qualifying score for functionality is indicated as a percentage and is calculated as follows:

a) The score for each criterion is added to obtain the total score; and

b) The following formula is used to convert the total score to a percentage for functionality:

$$Ps = \frac{So}{Ms} \times 100$$

Were:

Ps = Percentage scored for functionality by bid under consideration

So =Total score of bid under consideration

Ms= Maximum possible score

The percentage of each panel member is added and divided by the number of panel members to establish the average percentage obtained by each bidder for functionality. The minimum threshold of 70 is be obtained to advance to the next stage which is price and BBBEE.

12. PRICE AND PREFERENCE POINTS (B-BBEE REQUIREMENTS)

All received bids will be evaluated in terms of the 80/20-point system as stipulated in Preferential Procurement Regulations, 2017. 80 points will be allocated for price and 20 points for attaining the B-BBEE status level of contributor.

Points for price will be calculated only for shortlisted bidder/s as follows:

80/20

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

Where

Ps =Points scored for competitive price of bid or offer under consideration

Pt =Competitive price of bid or offer under consideration; and

Pmin =Competitive price of lowest acceptable bid or offer

The maximum possible score that can be achieved for price is 80 points.

NB: Bidders are required to, together with their bids submit original and valid B-BBEE status level verification certificates or certified copies to substantiate their B-BBEE rating claims. A bid will not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution nor is a non-compliant contributor. Such a bidder will score zero out of maximum of 20 points for B-BBEE.

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

Note: No preference points will be awarded without submission of a valid B-BBEE certificate or sworn affidavit. The total points (out of 100) for the various bidders will be calculated by adding the points for price (out of 80) and the points for BBBEE Contributor Level (out of 20).

1. A Bidder who qualifies as an Exempted Micro Enterprise (EME) must submit a sworn affidavit or B-BBEE certificates.
2. A Bidder who qualifies as a Qualifying Small Enterprise (QSE) and is more than 51% black owned must submit a sworn affidavit or B-BBEE certificates.
3. Sworn affidavits submitted by bidders in support of their B-BBEE level should comply with the DTI or the CIPC format or in a similar format and must be valid, original or certified as a true copy of the original.
4. A Bidder who qualifies as a Qualifying Small Enterprise (QSE) and is less than 51% black owned must submit a B-BBEE verification certificate issued by an Agency accredited by SANAS (South African National Accreditation System) which has to be valid, original or certified as a true copy of the original;
5. Bidders who do NOT qualify as EME's and QSE's as outlined in 1, 2 and 4 above, must submit B-BBEE verification certificates that are issued by an Agency accredited by SANAS; and
6. Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their tenders.

NOTE: Bidders who fail to submit a valid original or certified copy of their B-BBEE Certificate or Sworn Affidavit will forfeit the points allocated for B-BBEE status level of contributor. Sworn Affidavits and certification as a "true copy of the original", must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act, No 16 of 1963 and its Regulations promulgated in Government Notice GNR 1258 of 21 July 1972 Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963

Note: The Department reserves the right not to appoint any service provider in line with par 13 of the preferential procurement regulations 2017.

13. CONTACT DETAILS

Project Managers	**Physical Address**
Mrs Philile Dlamini and Dr Isaac Salagae Email: philile.dlamini@gauteng.gov.za Email: Isaac.salagae@gauteng.gov.za	PDMC. Riverview Office Park, Block B, 11 Janadel Avenue, Halfway Gardens, MIDRAND.

Supply Chain Management:	**Physical Address**
Ms Phumzile Malgas Email: phumzile.malgas@gauteng.gov.za	PDMC. Riverview Office Park, Block B, 11 Janadel Avenue, Halfway Gardens, MIDRAND.

➢ **PRICING SCHEDULE**

ITEM NO	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE INCL. VAT	TOTAL PRICE (Incl.VAT)
AUTOMATED METER READING					
1.	Daily collection, monitoring, processing, publishing and management of billing and profile data on the remote (all costs involved, incl. field services)	36 (months)	640	R	R
2.	Any communications related cost (additional to 1 above, e.g. SIM cards, etc.)	36 (months)	10	R	R
3.	Any operational cost (additional to 1 above, in terms of full responsibility for the integrity and correct operation of the remote metering equipment with the exception of the primary plant such as current and voltage transformers etc.)	36 (months)	10	R	R
Sub-Total:					**R**
METER RELATED WORK					
4.	Supply, install and commission a GPRS modem (meter supplied by MCLM)	1	0	R	R
5.	Supply, install and commission a modem equipped with a last-gasp mechanism to enable notification in the event of a power outage. (meter supplied by MCLM)	1	0	R	R
6.	Supply, install and commission an external watchdog timer on modems that often hang	1	0	R	R
7.	Supply, install and commission an external modem power supply in the event that modem cannot be powered by meter	1	0	R	R
8.	Supply, install and commission high-gain antenna	1	200	R	R

ITEM NO	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE INCL. VAT	TOTAL PRICE (Incl.VAT)
9.	Install/commission/programme and supply commissioning sheet of a **new** municipal meter – CT and VT driven or direct meter (meter supplied and installed by MCLM)	1	0	R	R
10.	Install/commission/programme and supply commissioning sheet of a **new** municipal meter – CT and VT driven or direct meter **(meter supplied and installed by the bidder)**	1	640	R	R
11.	Replace/install/commission/ programme and supply commissioning sheet of an **existing** municipal meter – CT and VT driven or direct meter **(new meter supplied by MCLM)**	1	0	R	R
12.	Verify correctness of new and existing metering equipment at an **LV metering point**, on request: • verifying of CT polarity correctness • verifying of CT ratios • confirmation of correct voltage and current phase relationships • CT multiplication factor, programmed as per MCLM requirement at meter and also remote metering database	1	640	R	R
13.	Verify correctness of new and existing metering equipment at an **MV metering point**, on request • verifying of CT-VT polarity correctness and wiring • verifying of CT-VT ratios	1	640	R	R

ITEM NO	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE INCL. VAT	TOTAL PRICE (Incl.VAT)
	• confirmation of correct voltage and current phase relationships • CT-VT multiplication factor, whichever applicable programmed as per MCLM requirement at meter and also remote metering database				
14.	No access to site obtained to execute work, charge as a result of MCLM or customer unavailability	1	100	R	R
15.	On request of MCLM attend to a complaint/ new commissioning of plant/ scheduled maintenance at customer premise etc, during **non**-normal working hours (e.g. Saturdays and Sundays or Public Holidays).	1	50	R	R
Sub-Total:					**R**
METER TESTING					
16.	Accuracy test of a 3-phase meter in a laboratory accredited to SANS 17025 by SANAS	1	600	R	R
17.	Accuracy test of a 1-phase meter in a laboratory accredited to SANS 17025 by SANAS	1	600	R	R
18.	Onsite meter accuracy test	1	600	R	R
Sub-Total:					**R**
ELECTRICITY BALANCING					
19.	Manage partial Electricity balance (ring fenced areas), periodically summating and reporting the balance between Electricity entering and being consumed from a busbar, feeder or other node in the electrical network	1	0	R	R

ITEM NO	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE INCL. VAT	TOTAL PRICE (Incl.VAT)
Sub-Total:					**R**
ESKOM POD'S					
20.	MCLM infeeds (ESKOM PODs) separate reporting and monthly account verifications	1	6 PODs x 12m x 3yr = 36 reports	R	R
Sub-Total:					**R**
PROFESSIONAL SERVICES					
23.	Professional services (ECSA registration): • Professional Engineer • Professional Engineering Technician	 1 1	 720 hours 720 hours	 R R	 R R
24.	Upon request: programming changes, additional programming or system changes	1	10 hr	R	R
25.	Use of Software Training to MCLM personnel on an as and when required basis (one session twice a year, each with 12 persons)	6 sessions	1	R	R
Sub-Total:					**R**
ONCE-OFF TAKE OVER					
26.	**As per scope Once-off take over costs:** The contract may require a changeover period not exceeding 3 months, during which the new service provider will be allowed to successfully transfer meters from the existing service provider to their database (and communications network). During this period, only meters read for a full month, will be chargeable to the Municipality.	1 per meter	0	R	R

ITEM NO	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE INCL. VAT	TOTAL PRICE (Incl.VAT)
Sub-Total:					R
REPORTING REQUIREMENTS					
27.	Reports providing **all** the billing data in Rand values as well as summarized per area, per consumption category Peak kWh, Standard kWh and Off-Peak kWh and NMD kVA and NAC kVA, and per tariff, of all the meters of the previous calendar month in Excel format.	1	144	R	R
28.	Attending monthly meetings in the MCLM area	1	36	R	R
Sub-Total:					R
Total:					**R**

NOTE ABOVE ESTIMATED QUANTITIES ARE FOR EVALUATION PURPOSES ONLY!

Important Note: Council has an existing remote metering base of approximately 1200 metering points. The customer base is growing steadily and these customers will be added on an as and when required basis.

NB: PLEASE NOTE:

PERIOD ONE (01)

- **BID PRICE(S) MUST BE FIXED FOR THE FIRST 12 MONTHS AFTER AWARD**

PERIOD TWO (02)

- **BID PRICE(S) IS/ARE SUBJECT TO ESCALATION OF CPI FOR THE FOLLOWING 12 MONTHS WITH THE BASE MONTH BEING THE 12th MONTH OF PERIOD ONE (01)**

PERIOD THREE (03)

- **BID PRICE(S) IS/ARE SUBJECT TO ESCALATION OF CPI FOR THE REMAINING PERIOD WITH THE BASE MONTH BEING THE 12th MONTH OF PERIOD TWO (02)**

Annexure A

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.

TABLE OF CLAUSES

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

22. Penalties

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

23. Termination for default

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

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

(i) the name and address of the supplier and / or person restricted by the purchaser;

(ii) the date of commencement of the restriction

(iii) the period of restriction; and

(iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

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

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

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (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.