

MALUTI-A-PHOFUNG MUNICIPALITY



BID NUMBER: SCM/BID26/2023/2024

**APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE
MUNICIPALITY TO MAINTAIN AND MANAGE HARRISMITH AND
PERENG (QWA QWA) LANDFILL SITE**

CLOSING DATE: 11 JULY 2024 AT 10H00

PREPARED FOR:

MALUTI-A-PHOFUNG MUNICIPALITY

PRIVATE BAG X 805

WITSIESHOEK

9870

CONTACT PERSON: DR M.S. NHLAPHO

Cell: 082 307 9893

Email: mvelithas@webmail.co.za

PREPARED BY:

SUPPLY CHAIN MANAGEMENT UNIT

MALUTI-A-PHOFUNG MUNICIPALITY

PRIVATE BAG X 805

WITSIESHOEK

9870

TEL: (058) 718 3871/3863

FAX: (058) 713 0459

NAME OF BIDDER _____

BID AMOUNT; EXCL/INCL VAT _____

CSD NUMBER: _____

**NOTE: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE
STATE**

MALUTI-A-PHOFUNG MUNICIPALITY



NOTICE NUMBER: 30/2023
BID NO SCM/BID26/2023/24

**APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE
MUNICIPALITY TO MAINTAIN AND MANAGE HARRISMITH AND
PERENG (QWA QWA) LANDFILL SITE**

Maluti-a-Phofung Municipality hereby invites Bids for Assist the Municipality to Maintain and Manage Harrismith and Pereng (Qwa Qwa) Landfill Site

Requirements:

- Bidders must submit Copy of Company Registration Certificate (CRC) Reflecting Active Members (Except for Sole Traders and Partnership).
- Bidders must be registered with Central Supplier Database (CSD), CSD number must be provided.
- Bidders are required submit their unique personal identification Number (Pin) issued by SARS to enable the Municipality to view the taxpayer's profile and tax Status
- In Bids where consortia/ joint ventures/ sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) Certificate/Pin/CSD Number
- All supplementary forms including municipal rates and taxes clearance certificate form contained in the bid documents must be completed in full or (submit a proof that the municipal rates and taxes are not in arrears for more than three months)
- Company profile
- Sealed Bids should clearly indicate: **Description of the Project and Reference of the Bid number APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE MUNICIPALITY TO MAINTAIN AND MANAGE HARRISMITH AND PERENG (QWA QWA) LANDFILL SITE (SCM/BID26/2023/2024)**

Closing date: **11 JULY 2024**

Bid Box: Bid Box No. "B"
Maluti-a-Phofung Municipality
Setsing Business Centre
C/O Moremoholo & Motlounj streets
Phuthaditjhaba

Supply chain enquiries: (058) 718 3871/ (058) 718 3863 – thabisot@map.fs.gov.za
lebohangs@map.fs.gov.za
thabangml@map.fs.gov.za

Technical Enquiries: DR. M.S. NHLAPHO@082 307 9893– mvelithas@webmail.co.za

Please note:

1. **No bids will be accepted from persons in the service of the state.**
2. Bid documents will be obtainable as from Tuesday **11 June 2024** after **10h00 am** from the cashiers point , Phuthaditjhaba offices upon payment of a **R 264.00** non-refundable fee (cash or bank guaranteed in favor of Maluti-a-Phofung Municipality) or can be downloaded on E-tender portal.
3. No telegraphic, telefaxes and late Bids will be accepted.
4. Municipality is not bound to accept the lowest Bid.
5. Municipality reserve the right not to award the bid.
6. Municipal Supply Chain Management Policy and Preferential Procurement Policy Framework Act No 5 of 2000 (80/20 preferential points allocation system in line with revised Procurement Regulations of 2022 by using the balance scorecard methodology) will be applied
7. Empowerment goals as per the Municipality Preferential Procurement Policy will be allocated as follows:

- **Empowerment goal as per the Municipal Preferential Procurement Policy will be allocate as follows :**

- ❖ **Historically Disadvantaged Persons (Any Person who had no Franchise in National elections Prior to the Introduction of the Constitution of Republic of South Africa and Discriminated on a Basis of Disability) Company Registration Documents, Identification and Doctors Report or a Complete EEA1 Form by Medical Doctors Confirmation Impairments. 20 Points**

8. Only one submission for this bid will be considered from the bidder.
9. Failure to comply with the above mentioned conditions may invalidate your bid.
10. Should you not receive any correspondence from us within 120 days, regard your bid as unsuccessful.
11. Communication will be limited to the successful bidder.

M. SEFANTSI
ACTING MUNICIPAL MANAGER



MALUTI-A-PHOFUNG LOCAL MUNICIPALITY, AS AN ORGAN OF THE STATE, SUBSCRIBES TO AND PROPAGATES THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 (ACT NO. 5 OF 2000) AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

TERMS OF REFERENCE

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SUITABLE SERVICE PROVIDER TO RENDER PROJECT MANAGEMENT SERVICES TO THE MUNICIPALITY TO OPERATE AND MANAGE THE HARRISMITH AND QWAQWA (PERENG) WASTE DISPOSAL FACILITIES FOR TWENTY-FOUR (24) MONTHS.

1. PURPOSE

To appoint suitable Service Provider/s to manage day-to-day operations of Harrismith and Qwaqwa (Pereng) Waste Disposal Facilities located in Maluti, a Phofung Local Municipality, for twenty-four (24) months.

2. INTRODUCTION AND BACKGROUND

- 2.1. Maluti -a- Phofung local Municipality is mandated to give effect to the right of citizens to an environment that is not harmful to their health or well-being and to have the environment protected for the benefit of present and future generations. To this end, the Municipality should provide leadership in environmental management, waste management and conservation to contribute towards sustainability for the benefit of the community at large.
- 2.2. Maluti-a-Phofung Municipality faces serious challenges relating to the operation and management of waste disposal facilities. The main challenges, amongst others: - are the need for proper access control, landfill operators, absence of waste recording, absence of compaction and daily covering. Furthermore, waste is dumped outside the Waste Disposal Facilities next to the road and surrounding areas, creating environmental challenges and impacting human health and well-being.

- 2.3. Inadequate machinery and equipment to operate and manage the Waste Disposal Facilities.
- In addition, the two waste disposal facilities are also affected by crime and the sites are faced with numerous violent crime incidents. There are waste pickers on both sites, but they still need to be integrated by the Municipality.

The two Waste Disposal Facilities have devastating environmental conditions that need urgent interventions as they negatively impact communities in the surrounding.

3. OBJECTIVES

- 3.1. To appoint a suitable service provider to assist the municipality in managing the day-to-day operations of Harrismith and Qwaqwa (Pereng) Waste Disposal Facilities for twenty-four (24) months.
- 3.2. To comply with all applicable legislation and conditions of the Waste Management Licence/ or Permit.
- 3.3. To improve the Surrounding Environmental Conditions
- 3.4. To ensure compliance with the conditions of the Permit/ or Waste Management Licence with relevant applicable legislation through improved operation and management of the Waste Disposal Facility, as well as to promote a cleaner environment through the development of recycling initiatives.

4. SCOPE AND EXTENT OF WORK

- 4.1. The successful Service Provider will be expected to manage all processes relating to the operation and management of the Harrismith and Qwaqwa (Pereng) Waste Disposal Facilities in Maluti-a-Phofung Local Municipality from inception, implementation and close out of the project.
- 4.2. The service provider must provide machinery, equipment, personnel and fuel.

The Service Provider shall ensure that machinery, equipment and personnel on-site remain appropriate for the landfill operation's size and type throughout the contract. Personnel employed on-site must be sourced locally and trained per their job function. The Service Provider shall provide the optimal plant that will be able to landfill the deposited waste on-site during the specified working hours in line with the relevant landfill licence conditions, the "Minimum Requirements for Waste Disposal by Landfill, 2008, The National Environmental Management Waste Act, 2008 (Act No. 59 of 2008) as amended, National Waste Information Regulations and Waste Classification and Regulations, National Norms and Standards.

The Site Operator must ensure the availability of the required plant and equipment with the required personnel and fuel to operate the site and make sure that services are uninterrupted during the hours of operation (i.e., 07:00 to 17:30). The Site Operator should provide a catch-up plan should there be any interruptions of operation including shortage of diesel on site. The plant required can either be owned or leased. The required plant must be always on site and in good working condition. Each approved plant by the Municipality will be removed from the site with notification and approval by the Municipality. Breakages or stoppages must be reported immediately to the Manager Environment and Waste Management.

Machinery and equipment on site should be serviced per their service plan, and the register should be kept and filed. The Service Provider shall always supervise all landfill plant/equipment and ensure that such is operated following municipal standard operating procedures. Furthermore, the Site operators shall be required to comply with the Occupational Health and Safety Act (Act 85 of 1993) and Regulations promulgated in terms of the Act when operating plant and equipment.

- 4.3 The service provider is expected to ensure that each site has all machinery and equipment and is costed on each pricing schedule as listed below: -

Table 1

Item for Harrismith	Item for Qwaqwa (Pereng)	Quantity	Frequency
Landfill Compactor (20 ton)	Landfill Compactor (20 ton)	1	Full time
Bulldozer (20 ton)	Bulldozer (20 ton)	1	As required
Excavator (20 ton)	Excavator (20 ton)	1	As required
Front End Loader	Front End Loader	1	Full time
Tipper Truck (10 cube tipper body)	Tipper Truck (10 cube tipper body)	1	Full time
10 000 Litre Water Tanker	10 000 Litre Water Tanker	1	As required

The service provider must provide appropriate communication devices to both official and spotters. The entire project is anchored on combating the poor operation and management of the two facilities currently evident in this facility. In this regard, the Service Provider must, in line with the latest Permit/ Waste Management Licence, perform the following but not limited to:

4.3.1 The provision of the required key personnel

Project Manager/Team:

The Site Operator shall provide a full-time Project Manager / team to manage operations and logistics at the landfill site for the duration of the contract. The Project Manager / team should have experience operating landfills classified as GLB (General Large Landfill Site / Class B Landfill) or with a higher classification. The project manager must be provided for each awarded site when a bidder is appointed on multiple sites.

Waste Spotters:

The Site Operator shall provide at least three (3) spotters for each landfill site deployed at the workforce face daily to assist in confirming the waste types and directing traffic. The service provider is to ensure that the spotters are trained to identify waste types. The spotters should constantly be in communication with municipal officials at the entrance of each waste disposal facility.

4.3.2 Site Security and Access Control

- The Service Provider must first provide security services to secure responsible for guiding and managing access.
- The Service Provider must access and report all areas with the potential to compromise access control that is not in line with Permit/ Waste Management License conditions: -
- The Service Provider must ensure that all entrance gates are managed during the hours of operation and locked outside the hours of operation. The operating hours will be from 07h00 am-17h00 pm from Mondays to Fridays, 8h00 am- 15h00 pm on Saturdays, Sundays and Public holidays;
- The Service Provider must only accept waste authorised at the Waste Disposal Facility. If it occurs, the Service Provider must inform the Municipality/ Province Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) by submitting a report within 24 (twenty-four) hours of such unauthorised disposal.

- Weatherproof, durable and legible notices in at least 3 (three) official languages common in the area shall be displayed at each entrance to the Waste Disposal Facility. These notices shall prohibit unauthorised entry into the Waste Disposal Facility and state the hours of operation, the name, address and telephone number of the permit/ licence holder and the person responsible for the operation of the Waste Disposal Facility.
- Notices prohibiting unauthorised persons from entering the Waste Disposal Facility, as well as internationally acceptable signs indicating the risks involved in unauthorised entry and which state the hours of operation, the name, address and telephone number of the permit/ licence holder and the persons responsible for the operation of the Waste Disposal Facility.

4.3.3 Operation

- The Service Provider must ensure that records in terms of volume, source and the nature of all the wastes received, reclaimed and landfilled are captured, maintained and reported hereafter every month;
- The Service Provider must ensure that litter and mud arising from the activities on the Waste Disposal Facility are cleared from affected areas outside the facility as soon as practicable, and wind-blown waste and litter must be picked up and removed from fences and vegetation daily;
- The Service Provider must manage and operate the existing storm water and leachate management if infrastructure exists that is on the Waste Disposal Facility;
- The Service Provider must ensure that waste information of the Waste Disposal Facility is recorded monthly and records are submitted to the Municipalities, Provincial Department and the Department of Forestry, Fisheries and the Environment;
- The Service Provider must ensure that recycling activities are in place in order to save the air space of the landfill site and
- manage revenue collection for waste disposal by keeping receipts and proof of payment upfront at the Municipality.

4.3.4 Impact Management

- Waste disposed of at the Waste Disposal Facility must be compacted and covered daily with a minimum of 150 millimetres of soil or other material approved by the Municipality;
- The Service Provider must ensure that the Waste Disposal Facility is operated so that it does not cause health hazards or that the potential creation of health hazards is prevented (e.g., noise, odour and dust).

- The Service Provider must ensure the health and safety of workers and employees in the Waste Disposal Facility are supplied with the correct Personal Protective Equipment (PPE) in order to ensure they comply with the relevant legislation such as the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).
- The Service Provider must monitor and ensure that waste disposed of at the Waste Disposal Facility may be reclaimed away from the working phase of the facility, provided the reclamation activity does not negatively impact the environment and that safety precautions have adhered to the rules.
- The Service provider must monitor and ensure that the waste deposited in the Waste Disposal Facility does not burn. Fire prevention measures must be implemented to prevent fires in the Waste Disposal Facility or extinguish possible fires.

4.3.5 Reporting

- The Service Provider must, within 24 (twenty-four) hours, notify the Municipality and Provincial Department of the occurrence or detection of any incident on the Waste Disposal Facility or incidental to the operation of the facility which has the potential to cause or has caused pollution of the environment, health risks, nuisance conditions or water pollution.
- The Service Provider must keep an incident report and complaints register, which must be made available to the external auditor, the Local Municipality, the Metropolitan and DESTEA for audit.
- The Service Provider must ensure that notification to the Municipalities and DESTEA must be done without delay in the case of the following:
 - a) any malfunction, breakdown or failure of equipment or techniques, accident or fugitive emission which has caused, is causing or may cause significant pollution;
 - b) the breach of the permit/licence, and
 - c) any significant adverse environmental and health effects.
- The Service Provider must provide prior written notification to the Municipality of the following events and in the specified timescales.
 - a) as soon as practicable prior to the permanent cessation of any operational activities;
 - b) full or partial cessation of the operational activities for a period likely to exceed three (3) months or

- c) full or partial resumption of the operation of all or part of the activities after a cessation notified under (b) above.
 - d) The Service Provider must provide machinery and equipment to perform the abovementioned activities.
- 4.4 For each landfill site, the Service Provider must provide two (2) standard signages and poles for the direction and location of the Waste Disposal Facility.
- 4.5 The Service Provider must record quarterly waste characterisation of the waste stream entering the Waste Disposal Facility.
- 4.6 The Service Provider must report the number of local people used in the project activities where applicable.
- 4.7 The Service Provider must install signage addressing the legislation outlined in the Permit and Waste Management / Licence.
- 4.8 Where applicable, the Service Provider is expected to use the local people to implement the project objectives and must be the targeted groups who fall within youth and women. All these activities will be undertaken through the monitoring and evaluation supervision of the Municipality, DFFE and the DESTEA.
- 4.9 The Municipality's responsible official (Manager or Designated Waste Management Officer (WMO)) will take full responsibility for managing the Service Provider in the implementation of the project and will submit a full report monthly to the municipal council. The Municipality must benefit from the project through cleanliness and improved operational and management of the Waste Disposal Facilities during and beyond the implementation period.

5 EXPECTED DELIVERABLES / OUTCOMES

- 1.2. The project will be implemented for twenty-four (24) months.
- 1.3. Assist the Municipality in ensuring compliance with the conditions of the Waste Management License/Permit regarding the operational plan and management of the Waste Disposal Facility;
- 1.4. Ensure the placing of security personnel to management access control for the duration of the contract;
- 1.5. Register of vehicles and individuals accessing the Waste Disposal Facility;
- 1.6. Recording of waste volumes for incoming and outgoing vehicles;

- 1.7. Manage revenue collection for disposal of waste by keeping receipts as proof of payment upfront at the Municipality;
- 1.8. Data capturing of waste volumes for South African Waste Information System (SAWIS) monthly reporting;
- 1.9. Integration of Waste Pickers in the operations;
- 1.10. Effective daily covering with the approved material and compaction of waste on the Waste Disposal Facility through ownership or rental of the plant;
- 1.11. Quarterly report on waste characterisation on waste stream entering the Waste Disposal Facility;
- 1.12. Controlled Access to the Waste Disposal Facility;
- 1.13. Reports on unauthorised disposal of waste on the Waste Disposal Facility;
- 1.14. Report on operational or non-operation of storm-water and leachate;
- 1.15. Report on the impact the non-maintenance or poor or lack of upgraded roads has on the operations of the Waste Disposal Facility;
- 1.16. Incidents reports, as and when the incidents occur;
- 1.17. Report on the fire prevention mechanism that is currently in place.
- 1.18. If using EPWP participants on sites, ensure the administration of the following statutory requirements;
 - i. Registration of participants with the Dept of Employment and Labour for UIF.
 - ii. Registration of participants with the Dept of Employment and Labour for COIDA
 - iii. Administering and maintaining monthly payments to Dept. Employment and Labour
 - iv. Implementation and administration of COVID-19 claims for participants.
 - v. Administer COID and UIF for project participants and provide monthly reports for such
 - vi. Provide payment records supported by relevant approval from the Municipality;
 - vii. Provide records (attendance registers, UIF registration and Bank Details) of all project participants

1.19. The Service Provider must develop a Waste Disposal Facility management plan and a detailed operational and maintenance plan covering the following (but not limited to) for this project scope or project charter:

- A project scope;
- A Work Breakdown Structure (Deliverables and Activities);
- Project Governance and Structure
- A Communication Plan;
- A Risk Management Plan;
- A Change Management Plan and
- Health and Safety Management Plans and File
- Quality Control Management Plan
- A Stakeholder Management Plan.

1.20. The service provider must develop a fully functional revenue-generating Waste Disposal Facility which will comply with Waste Management and Health and Safety Regulations and permit or Waste Management licence conditions.

1.21. Refer to the machinery table above.

6 PERIOD / DURATION OF PROJECT / ASSIGNMENT

6.1. The project must be completed within 24 months after both parties sign the Service Level Agreement (SLA) and issue an Official Order by the Municipality.

7 COSTING

7.1. A comprehensive offer must be provided, including all costs, expenses, and all applicable taxes.

7.2. A comprehensive offer must be provided in the same document as the technical proposal, including all disbursement costs, expenses, and VAT. **The service provider must quote for all activities).**

7.3. The Municipality reserves the right to negotiate price with a recommended service provider identified in the evaluation process without offering the same opportunity to any other bidder (s) who have not been recommended.

8 INFORMATION SESSION

- 8.1. The briefing session will not be held per site but written requests for clarification of the tender document or queries must be submitted to Maluti –a Phofung representative listed under technical enquiries.
- 8.2. The cut-off date for submitting requests for clarification queries is seven (07) calendar days before the tender's stipulated closing date and time. However, the Municipality shall not be liable nor assume liability for failure to respond to any questions and queries raised by the bidder after the cut-off date of the submission of clarification queries.

9 EVALUATION CRITERIA

- 9.1. The evaluation for this bid will be carried out in the following phases:

- Phase 1: Pre-Compliance
- Phase 2: Mandatory Requirements.
- Phase 3: Functionality Criteria.
- Phase 4: Price and Preference Points

9.2. PHASE 1: PRE-COMPLIANCE

- 9.2.2. During this phase, bid documents* will be reviewed to determine compliance with SCM

- 9.2.3. The bid proposal will be screened for compliance with administrative requirements** as per the supply chain requirements

*The Municipality reserves the right to reject proposals that are not submitted in line with the supply chain requirements or where information presented is illegible or incomplete and will not be evaluated further

**The Municipality reserves the right to request such information during the proposal's evaluation process, and the information must be presented within the Municipality's stipulated timelines. Failure to do so may lead to disqualification.

9.3.PHASE 2: MANDATORY REQUIREMENTS

- 9.3.1. The following mandatory requirements will apply, and tenderers must submit all requirements indicated hereunder with the bid documents at the closing date and
- 9.3.2. time of the bid. During this phase, the bidder's responses will be evaluated based on the documents submitted under mandatory requirements.

9.3.3. Tenderers who fail to comply with the mandatory requirements will be disqualified and not evaluated further on functionality criterion.

#	REQUIREMENT	EVIDENCE	ATTACHED PROOF	
			YES	NO
	Harrismith			
1	1 x Landfill Compactor (20 tons)	Proof of Ownership under Company Name per each machinery or Copy of the duly signed Lease or Rental Agreement for the Lesser per each leased or rented machinery		
2	1 x Bulldozer (20 ton			
3	1 x Excavator (20 ton)			
4	1 x Front End Loader			
5	1 x Tipper Truck (10 cube tipper body)			
6	1 x 10 000 Litre Water Tanker			
Qwaqwa (Pereng)				
1	1 x Landfill Compactor (20 tons)	Proof of Ownership under Company Name per each machinery or Copy of the duly signed Lease or Rental Agreement for the Lesser per each leased or rented machinery		
2	1 x Bulldozer (20 ton)			
3	1 x Excavator (20 ton)			
4	1 x Front End Loader			
5	1 x Tipper Truck (10 cube tipper body)			
6	1 x 10 000 Litre Water Tanker			
Requirement			Attached Relevant Letter/ Certificate/ Qualification:	
Bidders must provide a detailed project plan/charter with intermediate and final outputs and identified timeframes/ milestones of proposed methodology in the operation and management of Waste Disposal Facilities.			Yes	No
Requirement			Attached Relevant Letter/ Certificate/ Qualification:	
A copy of qualifications and CVs of Key Personnel			Yes	No

#	REQUIREMENT	EVIDENCE	ATTACHED PROOF	
			YES	NO
	Harrismith			
	Health and Safety Officer such as SAMTRAC			
	Qualifications of Security (SIRA Compliant)			
	Attach proof			

9.4 PHASE 3: FUNCTIONALITY CRITERIA

9.4.1 The following functionality criteria will be applicable when evaluating this bid. Bidders must attain a minimum threshold of 70%. Bidders who fail to score this minimum threshold will be disqualified and not be evaluated further.

- ❖ The municipality will consider Company and Individual(s) (Personnel) Experience and Qualifications obtained within and outside the Republic of South Africa (RSA). For evaluation purposes, qualifications obtained outside RSA must be accompanied by the SAQA Certificate of Evaluation (SCoE). The SCoE must indicate the recognition decision taken by SAQA regarding the foreign qualification and the comparability of that qualification with a South African qualification registered on the National Qualification Framework (NQF). This contract will only evaluate foreign qualifications that the SCoE does accompany.
- ❖ The recognition of foreign qualifications is in terms of the South African National Qualifications Framework (NQF) conducted by SAQA. SAQA derives this mandate from the NQF Act, 67 of 2008 (as amended) and performs the function according to the Policy and Criteria for Evaluating Foreign Qualifications within the South African NQF (as amended, 2017). (www.saqa.org.za)”

The below table serves as the criterion for the functionality. This is measurable, objective and related to the scope of work.

TABLE 2

1.	Expertise	10	
	Experience and educational background	60	
2.	Experience in waste management consultancy with specific reference to waste disposal and processing	30	
	Total	100	

TABLE 3

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)	WEIGHT
Expertise	A proposed project plan/charter, methodology and management of the project in operation and management of Waste Disposal Facilities	
		Indicator
	The project plan and methodology action are well broken down, with detailed objectives and milestones.	10
	Project plan and methodology, action identification basic, objectives and milestones.	5
	Action plan provided with no deliverables and timeframes.	3
	Limited information provided on the action plan	2
	The task needs to be better understood.	1
	No information provided	0
	Total	10
Experience and educational background	Bidder(s) must demonstrate that they have the necessary resources and technical expertise to complete the project successfully. Bidder(s) should submit curriculum vitae for the Key personnel of the proposed to be employed. Curriculum vitae are to include specific details of these individuals, including, among other things, relevant experience, three contactable references, and experience in the operation and management of the Waste Disposal Facility (landfill site)	

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)	WEIGHT
Project Manager or Management Team to be assigned to the project.	Bidder(s) are required to submit/ attach a certified copy of relevant qualification for the Project Management in either of the following areas: - Environmental / Civil engineering - Environmental Science/ Environmental management - Waste management	
	Certified qualifications of project manager / project team	Indicator
	Master's Degree or Higher – NQF Level 9 and above	15
	Honours Degree or Postgraduate Diploma – NQF Level 8	10
	Degree or B.Tech – NQF Level 7	5
	Three-Year Diploma – NQF Level 6	3
	Diploma/Certificate – NQF Level 5	2
	NQF Level 4 or below and/no qualification (s) attached/ submitted irrelevant qualification (s)	0
Safety officer to be assigned to the project. Attach a certified copy of relevant qualification for the safety officer in either of the following areas: Safety Management/ Risk Management and Occupational Health and	Master's Degree or Higher – NQF Level 8 and above	15
	Honours Degree or Postgraduate Diploma – NQF Level 8	10
	Degree or B.Tech – NQF Level 7	5

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)		WEIGHT
Safety	Diploma – NQF Level 5	3	
	Certificate – NQF Level 4	2	
	NQF Level 3 or below and/no qualification (s) attached/ submitted irrelevantqualification (s)	0	
Certified qualifications of the security personnel officer to be assigned to the project.	Honours Degree or Higher – NQF Level 8 and above	15	15
	Degree or Postgraduate Diploma – NQF Level 7	10	
	B.Tech – NQF Level 6	5	
	Diploma – NQF Level 5	3	
	Certificate – NQF Level 4	2	
	NQF Level 3 or below and/no qualification (s) attached/ submitted irrelevantqualification (s)	0	
Technical Capability/ expertise and track record of a project manager/ team to be assigned to the project in operation and management of the Waste Disposal Facility (landfill site)	Experience of the project manager / Project Team in a Waste Management Facility (landfill site)	Indicator	5
	Above 5 years	5	
	5 years	3	
	Below 5 years	2	
Technical Capability/ expertise and track record of a safety officer/ personnel to be assigned to the project in operation and management of	Above 5 years	5	5
	5 years	3	
	Below 5 years	2	

GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY: (GUIDELINES FOR CRITERIA APPLICATION)	WEIGHT
the Waste Disposal Facility (landfill site)		
Technical Capability/ expertise and track record of a security officers or personnel to be assigned to the project in operation and management of the Waste Disposal Facility (landfill site)	Above 5 years	5
	5 years	3
	less than 5 years	2
5		
	Total	60
	Bidder(s) are required to demonstrate relevant experience and competency of the company for all completed projects in the operation and management of the Waste Disposal Facility. Bidder(s) should submit full details of reliable signed references (attached reference letters from the client on completed projects indicating the type of projects, size, duration of the project, client satisfaction, etc.) for projects of similar scope which were completed in the previous years in operation and management of the Waste Disposal Facility (landfill site) Projects.	
Experience in waste management consultancy with specific reference to waste disposal and processing	Duration or period of each project managed (8 years and above)	50
	Duration 5 year	40
	Duration less than 5 years	30
	Duration 3 years	20
	Duration less than 3 years	0
30		
GRAND TOTAL		100

9.5 PHASE 4: PRICE AND PREFERENCE POINTS

9.5.1 All bid proposals submitted will be evaluated under the 80/20

80 = Price

20 = Specific Goal [Historically disadvantage] = 20 {Unfair discrimination on a basis of race and disability:- company registration document}

NB: The bid will be awarded to a bidder with the highest points on price and Preference Points on the condition that they have met all phases of the evaluation criteria and complied with the tender requirements in the tender document.

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY				
BID NUMBER:	SCM/BID26/2023/2024	CLOSING DATE:	11 JULY 2024	CLOSING TIME: 10H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE MUNICIPALITY TO MAINTAIN AND MANAGE HARRISMITH AND PERENG (QWAQ QWA) LANDFILL SITE			
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE
BID BOX SITUATED AT:

MALUTI-A-PHOFUNG LOCAL MUNICIPALITY				
CNR MOREMOHOLO & MOTLOUNG STREETS				
SETSING BUSINESS CENTRE				
PHUTHADITJHABA				
9870				
BID BOX "B"				
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				
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R
SIGNATURE OF BIDDER			DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED				
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	SCM		CONTACT PERSON	DR. M.S. NHLAPHO
CONTACT PERSON	MR T.M THOABALA		TELEPHONE NUMBER	082 307 9893
TELEPHONE NUMBER	058 718 3871		FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	mvelithas@webmail.co.za
E-MAIL ADDRESS	thabisot@map.fs.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.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER 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 THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE 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	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	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 ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
3.5.	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 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

DATE:

.....

TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT -

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. The attached form “Application for Tax Clearance Certificate (in respect of bidders)”, must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver’s Office.

APPLICATION FOR TAX CLEARANCE CERTIFICATE

(IN RESPECT OF BIDDERS)

1. Name of taxpayer / bidder:

2. Trade name:

3. Identification number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

4. Company / Close Corporation registration number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

5. Income tax reference number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

6. VAT registration number (if applicable):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

7. PAYE employer's registration number (if applicable):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Signature of contact person requiring Tax Clearance Certificate:
.....

Name:

Telephone number: Code:..... Number:

Address:
.....
.....

DATE: 20____ / ____ / ____

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.

.....

¹MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of 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);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state for the past twelve months?**YES / NO**

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons
in the service of the state and who may be involved with

the evaluation and or adjudication of this bid? **YES / NO**

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between
any other bidder and any persons in the service of the state who
may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers,
principle shareholders or stakeholders in service of the state?

YES / NO

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors
trustees, managers, principle shareholders or stakeholders
in service of the state?

YES / NO

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers,
principle shareholders, or stakeholders of this company
have any interest in any other related companies or
business whether or not they are bidding for this contract.

YES / NO

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to 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 to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals

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

1.5

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and Specific Goals must not exceed	100

1.6 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.7 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

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail:

- (a) "Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

- (b) “Black people” as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.
- (c) “Tender” means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.
- (d) “price” means an amount of money tendered for good or services, and includes all applicable taxes less all unconditional discounts;
- (e) “rand value” means the total estimated value of a contract in rand, calculated at the time of bid tender invitation, and includes all applicable taxes and
- (f) “tender for income generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auction.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

- P_s = Points scored for price of bid under consideration
- P_t = Price of bid under consideration
- $P_{\min}$ = Price of lowest acceptable bid

4. POINTS AWARDED FOR SPECIFICATION GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement

Regulations, preference points must be awarded for specific goals stated in the tender.

For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system).

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the tenderer)	Number of points allocated (80/20 system) (To be completed by the tenderer)
Historically Disadvantage Person		20		
Total Points Allocated		20		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.1 Name of company/firm:.....

4.2 VAT registration number:.....

4.3 Company registration number:.....

4.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company

☐ (Pty) Limited
[TICK APPLICABLE BOX]

I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

Signature(s) of Tenderer(s): _____ Date: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities 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 rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 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 of Restricted Suppliers 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 home 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)? The Register for Tender Defaulters can be accessed on the 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 of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM 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 Municipal Bidding Document (MBD) must form part of all bids¹ 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 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

- 4 This MBD 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 (MBD 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.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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 consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid;
or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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.

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

Maluti-a-Phofung Municipality



Setsing Business Centre
C/o Moremoholo & Motlounj Streets
Phuthaditjhaba
9866

Private Bag X805
Witsieshoek
9870
Tel: 058 718 3700
Fax: 058 713 0459

Enquiries: Supply Chain Management Unit

MUNICIPAL SERVICES, RATES AND TAXES CLEARANCE CERTIFICATE FOR SUPPLY CHAIN MANAGEMENT PURPOSE

The purpose of this form is to obtain prove that municipal services, rates and taxes of the service provider are not more than three months in arrears with the relevant municipality / landlord in the municipal area where the service provider conduct his / her business. **This form is to be completed only if the service provider's rates and taxes are not in arrears for more than three months.**

PART A – to be completed by the relevant municipality in the case where the service provider is the registered owner of the site / owner pays for municipal services / tenant pays for municipal services

OR

PART B – to be completed by the landlord in the case where the service provider is renting the premises / rental paid by tenant include municipal services.

PART A (TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)

Name of the Municipality:

Property Physical Address:

Registered Name:

Official's Name: _____

Municipality Stamp Here

Signature : _____

Date: _____

Please tick whether in arrears or up-to-date

Rates and taxes : Up-to-date / in arrears for more than 3 months

Water: Up-to-date / in arrears for more than 3 months

Electricity: Up-to-date / in arrears for more than 3 months

Refuse : Up-to-date / in arrears for more than 3 months

Other services: Up-to-date / in arrears for more than 3 months

NB: If the company address or operate in rural settlement the service provider should attach their electricity purchase pattern. Electricity purchase pattern can be validated once the company purchase electricity in three (03) consecutive months.

PART B (TO BE COMPLETED BY THE LANDLORD)

Name of the Landlord:

Property Physical Address:

Landlord Signature:

Date: _____

**Landlord's business stamp here Or an Affidavit from SAPS
Lease Agreement (Compulsory)**

Please tick whether up-to-date or in arrears

Rental: Up-to-date / in arrears for more than 3 months

Municipal services: Up-to-date / in arrears for more than 3 months

NB: In the event that company is operating on leased premises and the address is not the same as the Company registration both lease agreement and landlord statement of account (not in arrears for more than three months) must be attached.

:If the company address or operate in rural settlement the service provider should attach their electricity purchase pattern. Electricity purchase pattern can be validated once the company purchase electricity in three (03) consecutive months.

:In the event the landlord does not have a business stamp an affidavit from SAPS AND lease Agreement must be attached.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of Disputes
28. Limitation of Liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. Transfer of contracts
34. Amendments of contracts
35. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "in writing" means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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

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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

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.

12. Transportation

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

13. Incidental Services

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

- (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, 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.
- 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 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, 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.
- 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.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

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 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 goods are required, or the supplier's services are not readily available.

21.4 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 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 judgement 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.

THE NATIONAL TREASURY: Republic of South Africa

- 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 supplier as having no objection and proceed with the restriction.
- 23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

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.

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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.
- 33. Transfer of contracts**
- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser
- 34. Amendment of contracts**
- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
- 35. Prohibition of restrictive practices**
- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 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 section 59 of the Competition Act No 89 Of 1998.
- 35.3 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.