

MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF EDUCATION

BID NUMBER: EDU/149/21/MP

**APPOINTMENT OF A SERVICE PROVIDER (S)
FOR PRINTING AND PACKAGING OF
CONFIDENTIAL ASSESSMENT AND
CURRICULUM RELATED MATERIALS OF THE
MPUMALANGA DEPARTMENT OF EDUCATION
FOR A PERIOD OF THREE (03) YEARS**

ISSUED BY:

Department of Education
Private Bag X11341
Mbombela
1200

NAME OF BIDDER:

TOTAL BID PRICE (all inclusive) :
(Also in words):
.....

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF EDUCATION					
BID NUMBER:	EDU/149/21/MP	CLOSING DATE:	13 DECEMBER 2021	CLOSING TIME:	12H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER (S) FOR PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS OF THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE (03) YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , 24 Air Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX)		☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ Yes ☐ No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		☐ AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) ☐ A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) ☐ A REGISTERED AUDITOR NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? ☐ Yes ☐ No [IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER		DATE			
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/PUBLIC ENTITY	DEPARTMENT OF EDUCATION		CONTACT PERSON	Mr CS Manyabeane	
CONTACT PERSON	Ms Moira Olivier		TELEPHONE NUMBER	013 766 0007	
TELEPHONE NUMBER	013 766 5278		FACSIMILE NUMBER		
CELL. NUMBER			E-MAIL ADDRESS		
FACSIMILE NUMBER					
E-MAIL ADDRESS					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
- 1.6. OFFER TO BE VALID FOR **90 DAYS** FROM THE CLOSING DATE OF BID

2. TAX COMPLIANCE REQUIREMENTS

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

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- | | |
|--|--|
| 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | ☐ YES ☐ NO |
| 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? | ☐ YES ☐ NO |
| 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | ☐ YES ☐ NO |
| 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? | ☐ YES ☐ NO |

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

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

MPUMALANGA DEPARTMENT OF EDUCATION



APPOINTMENT OF SERVICE PROVIDER(S) FOR A PERIOD OF THREE (3) YEARS FOR THE PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS FOR THE MPUMALANGA DEPARTMENT OF EDUCATION.

SECTION A : GENERAL SPECIFICATION

1. Purpose

The Mpumalanga Department of Education (MDoE) intends to appoint a service provider for printing and packaging of confidential assessment and curriculum related materials for a period of three years.

2. Background

The validity and credibility of all assessments depend on the effective and efficient security control measures, in respect of the printing, storage and dispatch of assessment related material.

Both the National Department of Education and UMALUSI, the Quality Assurer for assessments and examinations, require strict adherence to maximum security measures for the printing, storage and dispatch of the assessment material.

The Department does not presently have printing infrastructure of its own. It has decided to outsource the service for the printing of assessment material but the service needs to be done within departmental premises or building.

The continued outsourcing of the print service is imperative and it needs the service to be digital printing with automated inline packing functionality. The facility needs to be able to download data electronically to the printing machines, bar-code, print, staple, trim, count, weigh, pack and seal. The automated packaging machine should be able to read the barcode, count the number of booklet packages and seal the packages with all security measures in place.

The Department therefore invites bidders to provide a complete solution for electronic digital printing on high volume speed machines which are able to receive data from both a wide area network (WAN) as well as from the local area network (LAN); bar-code documents; print online; staple and trim; have automated mechanism to convey material from the printing machines to the automated packaging machine. It needs to have a fully automated packaging machine with facilities to read barcodes, count booklets, seal packages (securely) and have online weighing and strapping.

All processes must comply with stringent security measures, not to compromise the examination material and the integrity of the examination. The solution must be fully automated with minimal human intervention.

3. Project Definition

The print service is required for the printing and packing of confidential assessment and curriculum related materials. The department does have a space to house the industrial printing machines and other related equipment. The bidders will have the opportunity of inspecting the available space that is located within the examinations building if they so desire.

4. Overall Goals / Objectives

Implementation of this project according to the specifications as stipulated herein will greatly increase and upgrade the level of security of the printing and storage of the assessment material. This will allow the Mpumalanga Department of Education to ensure that the assessment material is highly secured and conform with the requirements of the policy and processes of the Department of Basic Education and Umalusi.

5. Scope of Work / Terms of Reference

The Mpumalanga Department of Education invites service providers for printing and packing of the assessment and related materials.

The breakdown of expected but not limited print volume is reflected below:

Print work	Estimated images per annum
5.1. Question Papers	
5.1.1. National Senior Certificate (NSC)	17,000,000
5.1.2. Adult Education and Training (AET level 4)	1,880,000
5.2. Senior Certificate	474,000
5.3. Geography maps	25,000
5.4. Special answer books	576,000
5.5. Marking Memorandums and Dummy scripts	250,000 (10 000 copies)
5.6. Guideline Documents	As per request (1,800,000)
5.7. Marking Centre Manuals and Documentation	50,000
5.8. Statistical Booklets.	200,000
5.9. Answer books	
5.9.1. NSC	905,000
5.9.2. AET level 4	65,000
5.9.3. June NSC	52,000
5.10. Marksheets	36,000
5.11. Result cards and schedules	120,000
5.12. Candidates registration forms	120,000
5.13. Time tables	120,000
5.14. Exemplars(and/or preparatory exams)	20,000,000

Print work	Estimated images per annum
5.15. Markers appointment letters	18,000
5.16. Candidates registration schedules	240,000
5.17. Candidates attendance registers	240,000
5.18. Question paper and scripts control lists	36,000
5.19. Labels and stickers for packaging	36,000
5.20. Accommodate possible printing of national assessments or provincial common assessments	As per request(estimation 20,000,000)
5.2.1 Other curriculum related material.	

6. Compulsory Guidelines for Printing and Packaging

For the effective implementation of the service, the bidder will have to comply with the guidelines outlined by the Department in as far as printing and packaging is concerned.

Some of the guidelines are listed below:-

6.1. Printing

- a) All printing functions should be executed under the direct management of designated departmental official responsible for question papers and print related services.
- b) All printing will be carried out in a secure venue provided by the department.
- c) The master copy of the question paper issued for printing should be verified by the designated departmental official and it should be signed for in a print register.
- d) The designated departmental official should first proof read one printed copy and then grants approval for the bulk printing.
- e) The department will avail the following resources for printing area:
 - Controlled access; and
 - Security guards to all entrances of the printing venue
 - CCTV cameras;
 - Secured building;
 - Alarm systems; and
 - Fire extinguishers
- f) The machines should be flushed before starting a new print job and the printing venue must be cleared of all flammable and inflammable material.
- g) All personnel involved must comply to the following requirements:
 - Have security clearance;
 - Sign the oath secrecy;
 - Declare if a close relative is registered for every examination cycle.
- h) The operators will be expected to regularly check 200 printed copies at intervals to ensure that quality is not compromised.
- i) The question papers should be sealed in multiples of 5,10,15,20, etc, depending on the need.
- j) Operators must make sure that one paper/subject is printed at a time to avoid mix-up.

6.2. Packaging

- a) The packaging should be done in a secured place within similar security conditions as in printing.
- b) The printers should ensure that the entry door/s to the packaging venue is dual locking.
- c) A register should be kept at the entrance of each door and signed upon entry and exit.
- d) Keys should be kept in a safe and a register has to be in place for the issuing of the keys.
- e) Windows should be sealed and be burglar proofed.
- f) Packaging venue should preferable be located on the same floor where printing is done.

6.3. Packing Staff

- a) Packing should be carried out by officials in the employment of the printers contracted by the Mpumalanga Department of Education.
- b) The staff concerned should have a proven track record of integrity.
- c) All officials involved should comply with the following requirements:
 - Have security clearance;
 - Agreement to maintain confidentiality by signing an oath of secrecy;
 - Declare if a close relative is registered for every examination cycle.

6.4. Specification for Printing Machines

- a) Prints will be required to be generated over a period of three (3) years.
- b) Roll feed digital machines
- c) An output of 1000 A4 (100M) or more print images per minute
- d) Inline booklet maker with folding and trimming facilities (at least 50 A3 pages)
- e) The inline booklet maker must also allow for printing to continue when it is taken out for maintenance purposes.
- f) Online counting mechanism to count every printed image on the machine and
- g) Online counting mechanism to count every completed booklet.
- h) Cater for digital printing
- i) Stapling device to cater for A3 saddle stitch and A4 side stitch
- j) Print Back to Back
- k) Able to handle maximum of 120-gram paper
- l) Provide for cover page printing to enable a different coloured cover of the printed booklet.
- m) The printing machine must cater for colour printing.
- n) Printing machine must cater for barcoding
- o) Printing machine must be compatible with software for digital downloading, barcoding of question papers and packaging system.

- p) High volume or bulk or heavy duty paper shredding machine for waster paper.

6.5. Specification for Plastic Packaging for Automated Packaging Machine

- a) The plastic must be 60 microns or greater
- b) Plastic material must be in line with the requirements of the packaging machine
- c) Colour plastic for packaging of question papers: black, purple, orange, yellow and
- d) blue
- e) Plastic material must be durable
- f) Plastic material when sealed must be secure and not compromise the content and must able to reveal any tampering.
- g) Mpumalanga branding must be clearly printed on all sides of the completed package and the seal of the package must not interfere with the Mpumalanga branding.
- h) The front of the plastic packaging must cater for pre-printed information and the
- i) design will be as set out by the Mpumalanga Department of Education
- j) The back of the plastic package must be the colour of the plastic chosen.

6.6. Specification for Plastic Packaging for Manual Packing/ Insertion

- a) The plastic must be 60 microns or greater
- b) All sides of the package must be sealed except the top which has a flap.
- c) The inside of the flap must have strong self-adhesive glue.
- d) A strip of cellophane paper must cover the self-adhesive glue and must be easily removable to seal the package.
- e) The satchel must cater for A4 size paper – maximum 250 pages in a package and A3 size paper – maximum 250 pages in a package.
- f) The completed package and the seal of the package must not interfere with the Mpumalanga branding.
- g) Packages must meet all security requirements.
- h) The front of the plastic packaging must cater for pre-printed information and the
- i) design will be as set out by the Department of Education.
- j) The back of the plastic package must be the colour of the plastic chosen.

6.7. Specifications for Automatic Packaging Machine

- a) The packaging machine must automatic counting functionality.
- b) Provide for automatic feeders (two or more feeders) with barcode reading mechanism to eliminate incorrect print work and avoid a mix-up.
- c) Mechanism to be in place to count a maximum of 50 booklets. Counts must be in multiples of 5; 10 and 20.
- d) Online barcode reader to read barcode of question papers in the counting process and to read the barcode of the package containing the question papers after the package has been sealed and correctly weighed.
- e) Online weighing mechanism.

- f) Mechanism to be in place to discard all plastic packages that have incorrect number of booklets.
- g) Online counting of sealed packages with mechanism to count number of packs completed.
- h) Mechanism must be fitted to packaging machine to punch a fine hole in the packages to release excess air out of the packages of question papers. The hole must be on the right hand corner of the package and it must not interfere with the seal of the package as well as the question paper.
- i) Packaging machine must be able to supply sealed consignments of booklets at interval of 20 seconds.
- j) Strapping machine needs to be provided for strapping completed consignments and must be able to accommodate the plastic packaging requirements.

6.8. Interface Equipment

- a) The solution must have adequate capacity to make provision for downloading of data from the data management system and adaptable to changing IT solutions. It must be able to connect to wide area network, scanning machine and stand-alone computer and to transfer to the printing machines.
- b) The printing facility must be managed by a secure password or biometric system

7. Specification for Paper Requirements

- a) Roll feed paper 80 – 100 gsm.
- b) 90% white paper and 10% colour paper.
- c) Coloured hard covers of booklets should be suitable for high volume digital printing.

8. Additional Requirements

- a) It is preferable to have a conveyer system to move print material from the printing machines to the packing machines.
- b) A weekly report must be submitted to the management regarding the progress in respect of the process.
- c) A fully qualified and certified technician must be available on site or immediately available on call.
- d) The technician on site must be able to attend to all maintenance and upgrades and provide support.
- e) Downtime due to maintenance and/or breakdown must not exceed 24 hours.
- f) Planned comprehensive maintenance must be done before commencement of every major print.
- g) The equipment must conform with the Security Standards for office Printing Products and the equipment must at least support IPv6 network standards

- H) All personnel appointed by the successful bidder must be vetted and cleared by the National Intelligence Agency for security reasons.
- I) The service provider may administer lie detector tests to invoke security consciousness of its employees.

9. Management Reporting Requirements

- a) on completion of printing and packaging of each and every subject, a detailed report should be submitted to Department of Education clearly specifying how many question papers, marking memorandums were printed and how many sheets of paper in total were utilized. This should be done before the dispatch of the material and signatures of the printers and the official responsible should be appended to this report.
- b) The successful bidder should report with immediate effect any occurrence that may be a threat or possibly pose a threat in the departmental material under the custodian of the bidder, and not excluding malfunctioning or change of security systems within the printing and packaging premises.

10. Backup of Information

- a) There need to be back-up print equipment in case of challenges and the backup facilities and downtime on the printing equipment must not exceed 24 hours.

SECTION B - BIDDING PROCESS IN TERMS OF PPPFA

11. Bid Evaluation Methods

- a) Evaluation in terms of compulsory returnable documents
- b) Evaluation in terms of functionality criterion and in terms of preference point system.

12.1 Stage 2- Returnable documents

12.1.1 Compulsory Returnable Documents

Each bid shall comprise of a clearly indexed proposal with the bid documents that comply to the specified conditions / criteria:

Section	Compulsory Returnable Documents	Attached YES/NO
1	The bid document must be securely bound .	
2.	Invitation to Bid (SBD 1) must be fully completed.	
3.	Fully completed pricing schedule.	
4.	Submission of fully completed SBD 4 (Declaration of Interest).	
5.	Submission of fully completed SBD 6.1 (Preference Claim Certificate), accompanied by the original or certified B-BBEE Status Level Verification Certificate as issued by SANAS accredited service or sworn affidavit (if EME or QSE) indicating the level of preferential points to be claimed as contemplated on the amended Code of Good Practice of the B-BBEE Act. Any copies submitted in this case should be certified or stamped by the Commissioner of Oath. Failure on the part of a bidder to fill in and /or to sign the SBD 6.1 form and submit a BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANS) or sworn affidavit together with the bid, will be interpreted to mean that preference points for BBEE status level of contribution are not claimed.	
7.	Submission of fully completed SBD8 (Declaration of Bidders Past SCM Practice).	
8.	Submission of fully completed SBD 9 (Certificate of Independent Bid Determination).	

SPECIFICATION OF THE APPOINTMENT OF SERVICE PROVIDER FOR PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS FOR MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE YEARS.

9.	Submission of a Valid Pin Letter from SARS. Failure to submit a Valid Pin Letter your submitted bid proposal will be considered non-responsive and shall be invalidated or disqualified and not considered further for evaluation. Tax status must remain compliant for duration of the bid validity period.	
10.	Originally certified copies of CIPRO/ CIPC Company registration documents, share certificates indicating each director's percentage shareholding. The date on the letter must not be older than one (1) month as at the closing date of the bid.	
11.	If the bidder is in a joint venture/consortium/partnership, an original or originally certified copy of such an agreement and resolution by each party in the bid. If the bidder is not a joint venture /consortium/partnership this section is not compulsory.	
12.	Originally certified copies of the identity documents/valid passport and work permit of all the directors of the company if natural person or partnership. The date on the letter must not be older than one (1) month as at the closing date of the bid.	
13.	This bid may not be awarded to the supplier not registered as a prospective supplier on the Central Supplier Database (CSD) administered by the National Treasury. Attach a detailed print out report.	
14.	Familiarise yourself and initial every page of the General Condition of Contract.	
15.	Letter of approval by the relevant Executing Authority to do business if the entity has a member/members who is/are a Government Employee/s should be attached.	

N.B.ALL SUBMITTED DOCUMENTS MUST BE INITIALED ON EACH PAGE AND FAILURE TO DO SO WILL LEAD TO DISQUALIFICATION.

NB: BIDDERS WHO FAIL TO ATTACH ONE OF THE COMPULSORY REQUIREMENTS LISTED ABOVE WOULD LEAD TO THE DISQUALIFICATION OF THE BID

12.1.2 Supporting documents

Section	Supporting documents	Attached YES/NO
1.	Sworn affidavit reflecting the annual turnover of the bidder in order to determine whether the bidder is an EME, QSE or GNE. Failure to submit the sworn affidavit will result in your B-BBEE not being considered.	
2.	Original or originally certified copy of B-BBEE verification certificate from a verification agency accredited by the South African National Accreditation System (SANAS) or sworn affidavit (if EME, QSE or GNE) indicating the level of preferential points to be claimed as contemplated on the amended Code of Good Practice of the B-BBEE Act. Bidders in a joint venture/ partnership/ consortium must attach a consolidated original or originally certified copy of the B-BBEE certificate indicating the level of preferential points to be claimed as contemplated on the amended Code of Good Practice of the B-BBEE Act. The B-BBEE certification sworn affidavit only applies to Exempted Micro Enterprises (EME) with an annual turnover of R10 million or less and Qualifying Small Enterprises (QSE) certification sworn affidavit only applies to Qualifying Small Enterprises (QSE) with an annual turnover between R10 million and R50 million. Large business must submit B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS) The sworn affidavit must be signed by the Commissioner of Oaths as per the requirements in the Justices of Peace and Commissioners of Oaths Act, 1963 (Act No. 61 of 1963). The date on the certified copies must not be older than one (1) month as at the closing date of the bid.	
3.	Company profile and project management plan for printing and packaging of assessment material (Approach and Methodology)	
4.	Experience and qualifications of management and project team members that will responsible to implement the project (Attach Curriculum Vitae)	

SPECIFICATION OF THE APPOINTMENT OF SERVICE PROVIDER FOR PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS FOR MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE YEARS.

5.	Evidence of experience in printing and packaging of confidential assessment material in the form of an appointment letter or purchase order together with a confirmation letter from a relevant institution signed by the Accounting Officer/Accounting Authority. Also a proof of goods delivered not older than ten (10) years before this bid. Bidder(s) who fails to attach the confirmation will result in their experience(s) in a form of appointment letter(s), purchase order(s) or contract(s) not being considered when allocating points on functionality.	
6.	An originally stamped letter of good standing indicating rating of the account from the financial institution (bank) registered in terms of the Bank Act (Act. No. 94 of 1990 as amended must be attached. A letter of good standing without ratings, signature and bank stamp will not be considered. The date on the letter must not be older than one (1) month as at the closing date of the bid. The bidder must have the necessary financial resources to ensure that the printing and packaging of confidential assessment of the highest quality are delivered.	

NB: BIDDERS WHO FAIL TO ATTACH ONE OF THE SUPPORTING REQUIREMENTS LISTED ABOVE WOULD LEAD TO THE BIDDER LOSING POINTS ALLOCATED.

N.B.ALL SUBMITTED DOCUMENTS MUST BE INITIALED ON EACH PAGE AND FAILURE TO DO SO WILL LEAD TO DISQUALIFICATION.

12.2 Stage 3 - Evaluation on Functionality Criterion and Preferential Point Systems.

12.2.1 Criteria for evaluation the bid

Phase 1- Functionality

Members of the Evaluation Committee shall individually evaluate the responses received bids against the following criteria:

Criteria for functionality	Weight	Score
1. Business plan for printing and packaging of confidential assessment material which entails the following; • Approach, Methodology and Commitment. • Understanding of the terms of the bid. • Contribution towards job creation in the local municipality. • A clear risk management plan including customer care	40	
2. Proven and credible experience of service provider in similar projects. The bidder may present documentary evidence of experience in a form of appointment letter/order and/or contract and/or confirmation letter from a relevant institution signed by the Accounting Officer/Accounting Authority thereof.	30	
0-11 months =05		
1-3 years =10		
4-6 years =20		
7 years and above=30		
3. Management capacity of project managers and directors of company. The management or directors company should present a details on the how they managed similar projects. Outline knowledge of what the project entails and how it will be efficiently executed. Indicate knowledge capacity and skills that the managers have and related technical ability. Indicate what it takes to keep machines in good working order and technical abilities that the company has.	20	
4. Letter of good standing to proof financial capacity from an accredited financial institution with rating	10	
A = 10		
B = 8		
C = 6		
D = 4		

E = 2		
<i>Bidders who attach a letter of good standing without the above rating will be allocated zero (0) points.</i>		
Total functionally score	100	

The points scored for functionality shall be calculated as follows: Each BEC member shall award points for each individual criterion on the score sheet.

The assessment of functionality shall be done in terms of the above mentioned evaluation criteria and minimum threshold of 70 points.

All bidders who scored the minimum threshold of 70 points or above shall advance to Phase II of the bidding process. Bids/proposals that do not score specified minimum points for functionality shall be disqualified and not be considered.

Phase II- Evaluation in terms of the 90/10 preference point systems

Only the qualifying bids shall be evaluated further in terms of the 90/10 preference points system where 90 points will be used for the price only and 10 points B-BBEE Level of Contributor

The lowest acceptable bid/proposal shall obtain the maximum percentage allocated for price. The other bids/proposals with higher prices shall proportionately obtain lower percentages. The final points to choose the preferred bidder shall be calculated as follows:

$$P_s = 90 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

Where:

P_s = Points scored for comparative price of tender or offer under consideration

P_t = Comparative price of tender or offer under consideration; and

$P_{\min}$ = Comparative price of lowest acceptable tender or offer

Note: The preference claim forms are part of the standard bidding document.

Preference Points in terms of PPPFA

The contract shall be awarded in terms of the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and Regulations of 2017. Responsive bids shall be adjudicated by the MDoE on the 90/10 preference point system in terms of which points are awarded to bidder(s) on the following basis:

Points allocation for functionality:

Functionality	100
---------------	-----

Points for price and B-BBEE Status level of Contributor

Price	90
B-BBEE Status level of Contributor	10

A maximum of 10 points shall be awarded to a bidder(s) in respect of B-BBEE contribution as contemplated in sub-regulation (2) of PPPFA Act, 2000 (Act 5 of 2000) and Regulations of 2017 and will be added to the points scored for price as calculated in accordance with sub-regulation (1) of PPPFA Act, 2000 (Act 5 of 2000) and Regulations of 2017

Subject to regulation 7, of PPPFA Act, 2000 (Act 5 of 2000) and Regulations of 2017 the contract will be awarded to the bidder/s who scores the highest total number of points. Subject to sub-regulation (3), of the PPPFA Act, 2000 (Act 5 of 2000) and Regulations of 2017, points will be awarded to the bidder/s for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status level of Contributor	Number of points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

The Department may award the bid to a bidder who did not score the highest total number of points in accordance with section 2 (1) (f) of the Act.

Phase III- Recommendations

Bidder(s) with the highest points shall then be considered for recommendation based on the following overall objectives:

- The needs of MDoE and the purpose of the project are understood and met;
- The service provider(s) have experience in printing and packaging of assessment material and curriculum related.
- The service provider(s) have proven knowledge and skill to manage a large scale project i.e. at least on Excel, MS Word, Access and financial management;

SPECIFICATION OF THE APPOINTMENT OF SERVICE PROVIDER FOR PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS FOR MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE YEARS.

- The service provider(s) have the overall ability to provide a service that is characterized by quality, accuracy, economy, productivity and speed.

BIDDER'S SIGNATURE

DATE

SECTION C - SPECIAL CONDITIONS OF CONTRACT

- 13.1 This bid and all contracts emanating thereof will be subject to the General Conditions of contract issued in accordance with Treasury Regulations 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999 as amended). The Special Conditions of Contract are supplementary to those of the General Conditions of contract. However, where the Special Conditions of Contract are in conflict with the General Conditions, the Special Conditions take precedence.
- a) Only a bidder who has completed and signed the declaration part of the Preference points claim forms will be considered for preference points.
 - b) The Department may, before a bid is adjudicated, or at any time, require a bidder to substantiate claims it has made with regard to preference.
 - c) Points claimed will be rounded off to the nearest 2 decimals.
 - d) The reserves the right based to extend the contract on month to month after its expiry date.
 - e) The performance of the service provider will be evaluated throughout the year. If progress is not satisfactory and the provider is unable to remedy any of the breaches within the stipulated period, the contract will be terminated.
 - f) The bidder must attach the original valid Tax Clearance certificate. Failure to submit this certificate will invalidate the application
 - g) All directors of companies will be subjected to verification if they are Government employees
 - h) The personnel of the bidding service provider should be able to effectively communicate with the Examinations Directorate.
 - i) The Examinations Directorate deals with material that is highly sensitive in nature. Thus the successful bidder and its employees shall sign an undertaking of confidentiality in protecting the interests of the Department of Education, with regard to the handling of such sensitive material and information
 - j) No information concerning Departmental activities, information and documentation, shall be divulged to the public and/or the news media by the successful bidder or its employees. Failure to comply with this requirement will be regarded as a breach of contract
 - k) In addition to the requirements and specification stated in this document, the successful bidder shall comply with any security and control measures as applicable at Examinations Directorate and the Mpumalanga Department of Education in general.
 - l) The bidding company will be required to, on request from the Department; submit to Security screening by the National Intelligence Agency (NIA) or any other credible security agency.
 - m) The department reserves the right to terminate the contract with immediate effect if:
 - i. There is a breach of confidentiality.
 - ii. A service provider performs an unsatisfactorily service and fails to remedy such poor or non- performance within fourteen (14) days of receipt of written request official order to do so.
 - iii. A contract may, on reasonable and justifiable grounds be awarded to a bidder that did not score the highest points.

- n) The service level agreement shall be signed by both parties (successful bidder(s) and the Mpumalanga Department of Education) before commencing with the project.
- o) The department reserves the right to:
 - i. cancel the bid or not to appoint any bidder.
 - ii. request further information from any bidder after the closing date.
 - iii. verify information and documentation of the responsive bidder.
 - iv. make sure that the bidder/s have at their disposal the necessary capacity to execute the contract to the satisfaction of the department prior to the awarding of the contract.
 - v. inspect the operation or any part thereof during the evaluation phase of the Bid.

13.2 Performance management

- a) Supplier Performance Management is viewed by the MDE as a critical aspect in ensuring value for money in terms of acquisition and good supplier relations (between the MDE and all its suppliers).
- b) The successful bidder shall, upon receipt of written notification of an award, sign a Service Level Agreement (SLA) with the MDE. The SLA will serve as a tool to measure, monitor and assess the suppliers' performance level and ensure effective delivery, quality and value add of the service to the MDE.
- c) Bidders are required to comply with the above conditions listed in (a) – (b), and also provide a scorecard on how their product / service offering is being measured to achieve the objectives of this conditions.

13.3 Contract administration

- a) Successful bidders must advise the Contract Management Unit, Mpumalanga Department of Education, immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.
- b) The administration and facilitation of the contract will be the responsibility of Supply Chain Management Unit, Mpumalanga Department of Education.
- c) Orders will be placed by client that will be responsible for the payment to contractors for goods delivered and/or services rendered.

13.4 Term of Contract

- a) This contract has the tenure of fixed three (3) years and is subject to acceptable performance levels.
- b) Bidders may seek clarity or additional information in certain areas. Requests in writing shall be entertained by the MDE, provided that these are reasonable in the MDE's view as to the timing and contents. In order to maintain transparency and equality, the MDE shall supply all bidders simultaneously with the additional information requested.

13.5 Pricing

- a) All price quoted should be VAT inclusive;
- b) Bidders are only allowed to bid for the service specified under scope of work;

SPECIFICATION OF THE APPOINTMENT OF SERVICE PROVIDER FOR PRINTING AND PACKAGING OF CONFIDENTIAL ASSESSMENT AND CURRICULUM RELATED MATERIALS FOR MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE YEARS.

- c) Prices should be determined by rate per sheet and the rate per sheet should include all the running costs i.e. security, personnel, equipment etc.;
- d) All prices must be fixed for each year as indicated in the pricing schedule. No price adjustment will be considered during the term of contract.

SECTION C : PRICING SCHEDULE

Bidder name : _____

ITEMS	FIXED UNIT PRICE YEAR 1	FIXED UNIT PRICE YEAR 2	FIXED UNIT PRICE YEAR 3
Rate per image			
VAT			
Sub-Total			
Total Bid Price			

Please Note!

- All prices on the pricing schedule should be inclusive of VAT, insurance, human resource, overtime, material to be used, maintainance of the machine and any overhead cost.
- Bidders are obliged to give correct figures of prices. No bidder(s) shall be allowed to make changes/ corrections/ additions on the pricing schedule.

BIDDER'S SIGNATURE

DATE

**Application for a Tax Clearance Certificate****Purpose**Select the applicable option Tenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicantName/Legal name
(Initials & Surname
or registered name)Trading name
(if applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no

VAT registration no: 4

SDL ref no

Customs code

UIF ref no

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R ,

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
--------------	----------------	-----------	----------------	------------------	--------

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

--

Signature of representative/agent Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

--

Signature of applicant/Public Officer Date

Name of applicant/Public Officer

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any Information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be Issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

- 2.1 Full Name of bidder or his or her representative:
- 2.2 Identity Number:
- 2.3 Position occupied in the Company (director, trustee, shareholder²):
- 2.4 Company Registration Number:
- 2.5 Tax Reference Number:
- 2.6 VAT Registration Number:
- 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

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

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

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

Position occupied in the state institution:

Any other particulars:

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES / NO

2.7.2.1 If yes, did you attached proof of such authority to the bid document? YES / NO

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

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

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

1. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$
 2. $\frac{1}{2} \times \frac{1}{4} = \frac{1}{8}$
 3. $\frac{1}{4} \times \frac{1}{4} = \frac{1}{16}$

YES/NO

[illegible]

YES/NO

.....

.....

.....

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

[illegible]

4 **DECLARATION**

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); 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** R50 000 000 (all applicable taxes included) and therefore the **90/10** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

Where

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

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

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

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

5. BID DECLARATION

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

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

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

7. SUB-CONTRACTING

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

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

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

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

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

WITNESSES

1.

2.

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

DATE:

ADDRESS

.....

.....

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;
2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?
(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):
.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.
The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	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)? To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME).....
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION
FORM IS TRUE AND CORRECT.**

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) 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 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

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

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or 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

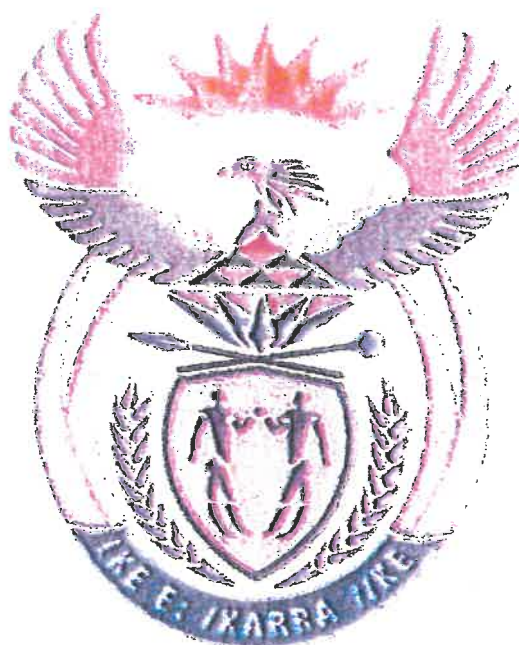
.....
Position

.....
Name of Bidder

Js914w 2

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

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

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

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

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

**25. Force
Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

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

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)