agriculture, land reform
& rural development
Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

Gauteng Shared Service Centre Office; Cnr Steve Biko and Stanza Bopape Str, Arcadia
Private Bag X 9, Hatfield, 0028; Tel: 012 337 3600

REFERENCE: SCM...........

APPOINTMENT OF A TRAINING INSTITUTION TO PROVIDE TRAINING FOR MEAT EXAMINER/INSPECTOR AND QUALITY ASSURANCE TO COMPLY WITH ABATTOIR REQULATIONS AT WINTERVELDT POULTRY VALUE CHAIN.

PROJECT NAME	WINTERVELDT ABATTOIR (ITSHELEKGORA AGRICULTURAL CO-OPERATIVE)
SITE	WINTERVELDT
SITUATED	WINTERVELDT – WARD 24
DISTRICT	TSHWANE DISTRICT
REGION	REGION 1
PROVINCE	GAUTENG
REFERENCE NO	REID:13/3/2-GP/4/A/10

The Provincial Shared Service Centre: Gauteng herein calls for price quotations in respect of the above-mentioned commodity to (a) rendering a service **and** (b) delivery of report.

All proposals should clearly reflect the terms and conditions as it is reflected into the said Terms of reference, please quote the **SCM0000 reference on all communication** as indicated above;

You should submit your quotations/proposal to the Acquisitions Unit by

CLOSING DATE:.. @ gp.quataions@drdlr.gov.za

Prospective service providers should submit their quotations to the SCM officials:

Physical Address:	Postal Address:
Gauteng Shared Service Centre C/o Steve Biko and Stanza Bopape Str ARCADIA	Gauteng Shared Service Centre Private Bag X 09 HATFIELD 0028

Submissions/Quotes should be posted to ensure the office receive it by the time indicated above alternatively it should be hand delivered to the above-mentioned **addresses on or before the closing date and time.** Prospective service providers/suppliers are encouraged to submit their proposals before the closing time/date, as late submissions will not be accepted (disqualified).

Please feel free to call any official in the Gauteng provincial office to clarify or verify any information or assistance with the completion of the required documentation.

Also find attached hereto the GCC (General Conditions of Contract) to familiarize yourself to the conditions pertained into the document and shall be read in conjunction to this ToR/SS

Quotation, payment method:

- Quote must be valid for 3 months;
- Quote must be original format, on your company official letterhead;

- Quote must be signed by supplier;
- The **total amount** of the quotation **must be fixed and inclusive of VAT**. If registered as VAT vendor provide the cost, VAT and total amount.
- All quotations must be accompanied with a valid **TAX CLEARENCE certificated**, if not you may be disqualified;
- Quotations should reflect the **CK number with a verified CIPC**, is not you may be disqualified;
- After rendering the product, the product needs to be delivered to the Project/Farm officer. The Project/Farm Officer will conduct an assessment on the delivered product and thereafter, will communicate with you to provide an invoice. From the date of the submission the office has a turnaround time of 30-days to effect payment;
- A firm price shall be provided and shall not be subjected to adjustments unless otherwise stated in the price quotation provided on this request.
- All bidders must be EME or QSE.

Invoices / Accounts:

Officials	Designation	Contact details
Ms R. Manamela	Assistant Director: SCM	Address: Supply Chain Management Private Bag X 09, HATFIELD, 0028 Tel: 012 312 3624

Process after completion of the services:

The invoice can be referred to:

i. Supply Chain Management
ii. C/o Steve Biko and Stanza Bopape Streets
iii. Ms R Manamela

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The Provincial Shared Service Centre: Gauteng would like to invite proposals for the appointment of a mentor to provide mentorship in production of high-quality meat product. This should be done in such a manner that will provide support to the process of national economic development. In the rural areas the main goal is to achieve both economic and social objectives, i.e. productive use of the land. For sustainable development purposes a well-balanced socio-economic, environmental, political and legal factor must be taken consideration
The appointed service provider is expected to offer meat inspector and quality assurance at Itshelekgora Agricultural co-operative.

1. INTRODUCTION AND BACKGROUND

The Department of Agriculture Land Reform and Rural Development hereby invites quotes from accredited service providers to render a service in meat inspector / quality assurance for Galaletsang poultry abattoir situated in Winterveldt, City of Tshwane in Gauteng.

2. PROPERTY DETAILS

CURRENT LAND OWNER(S)	EXTENT	CONTACT/ ADDRESS
Tshwane District Municipality	**26 hectares. Abattoir utilise only one hectare**	**Plot Jr 101, Winterveldt, Portion 1**

3. CONTACT PERSONS

3.1 Provincial Shared Service Centre Gauteng

Ms Motlhabane	Project Coordinator
Telephone Number:	(012) 3373665
Cell number:	079 515 0087
Ms LL Molaudz	Deputy Director
Telephone Number:	(012) 337 3665
Cell Number:	082 418 3365

3.2 MANAGEMENT OF THE PROJECT

The Project Manager will manage the Project. The responsible Project Coordinator of the area will manage facilitation and monitoring of information for service providers. The Gauteng Shared Service Centre assumes total accountability, and therefore authorises all expenditure for the Project.

The requested reports and invoice should be delivered to the responsible officer of the area that will after satisfactory delivery forward the applicable documentation to the Manager Supply Chain Management Unit situated on the above-mentioned address.

3.3 UNDERTAKING BY THE PROVINCIAL SHARED SERVICE CENTRE: GAUTENG: DUTIES AND OBLIGATIONS

The PSSC: GAUTENG shall:

3.3.1 Be obliged to identify and attach an official to the Project.

3.3.2 Give support to the service provider wherever possible through the Project Manager of the affected Project.

3.3.3 Make available on request, reports and information pertaining to the envisaged Project.

3.3.4 Inform the involved staff and communities of the forthcoming visits and the study by the service provider

3.4 POLICY FRAMEWORK

The service provider/s shall take the following factors into consideration:
Land reform policy was set out by the Department of Rural Development & Land Reform in the white Paper on South African Land Policy. In this document the objectives of the land policy are identified as follows:

- Comprehensive Rural Development Program (CRDP)
- Strategic Plan of the Department
- To redress the injustices of Apartheid;
- To foster national reconciliation and stability;
- To underpin economic growth; and
- To improve household welfare and alleviate poverty.

The afore-mentioned objectives have the following underlying principles:

- Social justice
- Poverty focus
- Needs-based
- Flexibility
- Participation, accountability and democratic decision-making
- Gender equity; and
- Economic viability and environmental sustainability

Legislative Framework
The service provider/s shall also implement the Project through the following legal mechanisms:
▪ The Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996); more particularly Section 24 and 25. ▪ Restitution of Land Rights Act, 1994 (Act No.22 of 1994); ▪ Development Facilitation Act, 1995 (Act No.67of 1995); ▪ National Environment Management Act, 1998 (Act No.107 of 1998); ▪ Development and Sustainable Resources Utilisation Act, 2003 (Act No.3 of 1996); ▪ National Water Act, 1998 (Act No.36 of 1998); ▪ Animal Identification Act, 2002 (Act No.6 of 2002) Animal Health Act, 2002 (Act No.7 of 2002) ▪ Animal Improvement Act, 1998 (Act No.62 of 1998) ▪ Meat Safety Act, 2002 (Act No.40 of 2002) ▪ Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996) and ▪ The Communal Property Associations Act, 1996 (Act No.28 of 1996)
Service providers are required to study and know what the policy suggests in Project planning and management. The policy gives guidelines on land development, especially in rural areas, in order to create sustainable settlements for restitution beneficiaries. The potential service provider/s shall comply with the terms of the Land Reform Policy and execute the tasks and activities as stipulated.

4. BACKGROUND

The Galaletsang abattoir business unit consists of four (4) beneficiaries within the Winterveldt poultry value chain project. The unit is registered as a private company and received donation for a mobile abattoir, ablution facility and generator from GDARD Veterinary Services which are currently connected at a land allocated by the City of Tshwane at Winterveldt. The Department of Agriculture Land Reform and Rural Development DALRRD and GDARD embarked on the relationship working together to provide essential support to the entire project. The project is situated in Winterveldt Agricultural land Holding, Plot Jr 101,
An abattoir requires a full time meat inspector/examiner to ensure that compliance in terms of food safety and bio-security issues is properly followed. Slaughtering cannot happen if the two are not available and obtaining services of an external person is not economical to the project as they have not yet generated enough capital to can do as such.

5. PURPOSE

To obtain the services of a skilled service provider/consultant to provide training on meat inspector services in slaughtering of chickens at high quality level expected and comply with meat safety act at Winterveldt for a period (8 months) agreed and comply with SAQA and Agri-Seta.

6. PROJECT OBJECTIVES

6.1 To assist members to be able to comply/align their production standards to the meat safety act

6.2 Acquire skills so that members can be able to produce quality products for profitable markets

6.3 For the enterprise to be able to increase job opportunities for increased participation in local economic development

7. SCOPE OF WORK

In order to satisfy the objectives stated in Section 6 the Facilitator Meat Inspector shall undertake the following specific activities:

7.1 Advise, coach, counsel and guide Galaletsang poultry abattoir in the carrying out of its duties with particular reference to the three absolutes of project management, namely cost, time and quality, and in respect of the following:

I. Production of high quality meat complying with Meat Safety Act requirements.
II. Food and Hygiene system
III. Abattoir management
IV. financial and contractual matters;
V. project management and quality control;
VI. establishing a filing system and proper record keeping;
VII. Human Resource Management;
VIII. the procurement of materials and services;
IX. Costing, pricing and tendering for Projects;
X. concluding a contract with the Implementing body;
XI. construction planning and management;
XII. assets/equipment management, maintenance and control;
XIII. cash flow management;
XIV. the fulfilling of statutory and tax obligations with particular reference to labour, health and safety obligations; and
XV. Wages and salaries.

7.2 Develop quality measures and ensure that production of meat complies with requirements of SAPA.

7.3 Institutional capacity building:

7.3.1 Abattoir management

7.3.2 Provide training on meat inspection and quality assurance to address the skills gap based on the outcome of the skills audit conducted

7.4 A successful service provider will be required to train four (4) beneficiaries for Meat inspector/examiner and quality assurance to Galaletsang Poultry Abattoir

8. **DELIVERABLES:**

9.1 Work plan for the duration of time frame stipulated by Agri-Seta reflecting three payment structures in percentages.
9.2 The facilitator is expected to be on site 60% (minimum) of the duration of the contract.
9.3 Monthly progress reports with a proof of evidence, e.g. photographs, attendance register etc.
9.4 Final report which includes an exit strategy with recommendations.
NB- There will be weekly review on site between the mentor, beneficiaries and the DALRRD office. Further schedule of meetings is listed under Table 10.1

9. **THE SERVICE PROVIDER SHOULD MEET THE FOLLOWING KEY MANDATORY REQUIREMENTS:**

9.1. A minimum of 2 years' verifiable experience in mentoring.

9.2. An accredited certificate in unit standard In Poultry Meat Inspector and Quality Assurance approved by Agri- Seta and SAQA or Environmental Health qualification from SAQA

9.3. The Service Provider should have knowledge and experience in SAPA.

9.4. More than (2) two-year relevant experience and knowledge in one of the following:

9.4.1 Food and Health Safety training for the abattoir;
9.4.2 Meat inspection training and supervision;
9.4.3 Service Provider of Management on Food Hygiene benchmark activities to other abattoirs;
9.4.6 Provide First Aid and
9.4.7 Clean and sanitize a food processing system.

9.5 Furthermore, the service provider should have proven experience in:

9.5.2 Developing and implementing participatory methodologies and approaches aimed at capacitating Project Beneficiaries to take ownership and be actively involved in their own development;
9.5.3 The ability to link Project Beneficiaries with relevant stakeholders including market;
9.5.4 Not less than 3 contactable references;
9.5.6 Curriculum Vitae of all key personnel and
9.5.7 Company's profile and abattoir and health environment experience and mentorship

10. **PROJECT SCHEDULING (See Table 10.1as example)**

- Scheduling for Project management purposes will include:
- A Project Schedule (MS PROJECT);
- The time frame for each deliverable and activity;
- A Task and Cost Schedule (Cost breakdown of tasks)
- An indication of all specialist service providers, their contact details and who will be responsible for each individual activity.

TABLE 10.1 EXAMPLE of project schedule (supply your own schedule activity plan responding to the scope of work for period (8 months) stipulated by Agri-Seta and SAQA) Quotation must strictly respond to the items listed under scope of work.

	PROJECT MILESTONES	DELIVERABLES	TIME FRAME	COST

1	**Conduct Consultation (workshops) with the Project/Farm Beneficiaries**			
1.1	**Initial Meeting:** Introduction to the department and Project/Farm Leadership and Beneficiaries; and inform them phases for abattoir/meat inspector trainings programs.	**Introduction of method or phases for implementation of the project.**		
	Conduct and encourage involvement and participation of the Project/Farm Beneficiaries. The latter should not be regarded as mere recipients of aid or government grants. The aim should be one of capacity building and to develop them to become efficient and effective meat inspector and quality assurer.	**Consultation with the Project Beneficiaries** and their **involvement and participation at an early phase of Project/Farm planning** is encouraged and sought. Findings, Conclusions and Recommendations.		
1.2	Conduct on-site training to beneficiaries or members throughout offering the practical hands on activities	**The service provider will be able to provide training to beneficiaries**		
1.3	Theory on meat inspector involvement and participation of project members	**Percentage of theory in line with the meat inspector need to provided**		

NB: THE TABLE ABOVE IS A GUIDE BUT NOT MANDATORY TO SOME AREAS AND MUST BE ADJUSTED ACCORDING TO TYPE OF WORK.

11. CONCLUSIONS AND RECOMMENDATIONS

12.1 Quotation must be valid for 90 days

11.2 Document must be submitted in electronic version.

11.3 Project must be completed within 8 months of training

11.4 The final product will be subject to the scrutiny by the Project Manager, other DALRRD Officials, other Departments, and/or other institutions.

11.5 Work not completed within the time stated, will not be paid for, and the contract will be deemed terminated.

12. ACCOUNTABILITY

12.1 The potential service provider is expected to comply with the provisions of the contract and report as per project schedule;

12.2 Part payment will be accommodated for based on the project schedule

12.3 The Provincial Shared Service Centre: Gauteng or the designated official will receive deliverables from the service provider and effect payments as agreed in the service contract;

12.4 The appointed service provider will submit written periodic reports to the Provincial Shared Service Centre: Gauteng or the designated official as agreed.

13. LEVELS OF AUTHORITY AND COMMUNICATION

13.1 The final reports shall be directed to the Provincial Shared Service Centre: Gauteng as the head of the office;

13.2 The designated official will be responsible to receive the written progress reports from the service provider;

13.3 The designated official and the Service provider will be responsible to liaise and meet on regular basis as will be agreed by both parties;

13.4 A regular and effective communication process will be required to ensure involvement of all relevant stakeholders.

14. REPORTING FRAMEWORK

14.1 The service provider shall report to the Provincial Shared Service Centre: Gauteng when required during the course of the exercise as per project schedule and on adhoc basis as required by the client during the course of the project;

14.2 Ownership of the documents shall vest with the Department of Agriculture Land Reform and Rural Development (DALRRD);

14.3 Reports containing the Project proposals will include all the tasks as specified in Table 11.1 above.

15. TIMEFRAME

The service provider will be expected to complete the task in a period of **8 months** and the milestones will be the key time frame measure.

The contract is for **8 months** and the service provider is expected to adhere to the specific time frame frames stipulated in the contract. The contract may be extended in the event it is not feasible to conclude the task within the stipulated time frame. However, the extension must be agreed to between the parties and reduced to in writing

16. PRICING

The **total amount** of the quotation must be **fixed and inclusive of Value Added Tax (VAT)**. If registered as a **VAT Vendor** provides the cost, VAT and total amount. In the event that the quoted amounts are over **R30, 000.00 a VALID TAX CLEARANCE certificate MUST** be attached to the proposed quotation document being delivered.

17. PAYMENT

17.1 The service provider will be required to submit a final report i.e. detailed and comprehensive Reports on every individual deliverable, as indicated in Table 10.1 above before payment thereof;

17.2 Payment will be implemented according to the approved task and cost schedule; and be done after quality assurance has been conducted by the Provincial Shared Service Centre: Gauteng. Once the product has been processed and accepted by the Project Officer s/he will request for the submission of your invoice. No invoice will be accepted until you have received the acceptance of your product by Provincial Shared Service Centre: Gauteng.

18. PENALTIES

18.1 If the service provider fails to perform as desired in Table 11.1 above the report will not be accepted and no payment whatsoever will be made to the service provider.

18.2 If the service provider fails to meet timeframe as stipulated the Provincial Shared Service Centre: Gauteng reserves the right to deduct 10% of the quoted amount after every five (5) working days.
The latter 10% will be deducted every five (5) working days from the last day of the timeframe as stipulated

18.3 Notwithstanding, the Provincial Shared Service Centre: Gauteng reserves the right to rescind the contract without any payment, if there is a breach of contract.

19. IMPOSSIBILITY OF PERFORMANCE

In the event that there is an impossibility of performance as a result of matters beyond parties to the contract, the parties will waive any claims against each other in respect of the impossibility in question.

20. EVALUATION METHODOLOGY

The **80/20 preference points system** as prescribed in the Preferential Procurement Policy Framework Act (PPPFA) will be applied to evaluate this bid. The Lowest acceptable bid will score 80 points for price and maximum of 20 points will be awarded for attaining the Broad Based Economic Empowerment (B-BBEE) status level of contribution. This bid shall be evaluated in two stages.

On the first stage bids will be evaluated on functionality, second stage in accordance with 80/20 preference points system as stipulated above. The tender evaluation method to evaluate all responsive tender offers will be **Method 2.**

Apply the **80/20** Preference Point system where a maximum of **eighty / (80)** tender adjudication point be awarded for price. **Twenty (20)** points will be awarded for preference in terms of the B-BBEE Status Level of Contribution as prescribed in the Preferential Procurement Regulations, 2011.

Quality (functionality) will be scored on those tenders regarded as being responsive. The CRITERIA to be applied in evaluating the proposal is set out in the table below:

All tenders received will be evaluated by a panel on a basis of functionality.
Furthermore, the following may also be a requirement in terms of the proposal:

- After the first internal evaluation session on functionality, potential suppliers may be invited for a company presentation session to explain the proposed methodology that will be used to approach this Project. In the event that a session is requested a further evaluation on functionality will be engaged in by the same selected panel and thereafter the functionality would be concluded;
- A selected evaluation panel will evaluate all bids received on a basis of functionality during phase. With regard to functionality, the criteria as indicated will be evaluated by a team with applicable experience in the said field.

21. Mandatory requirement

21.1 The service provider should be registered with the relevant institution/body. (Attach certificate)

12.2 A minimum qualification of a recognized National Diploma (NQF level 6) within the Environment health or related qualification with accreditation of meat inspector/examiner.

22.3 The mentor should have verifiable experience in development work, especially, the mentoring of meat inspector/examiner field and have more than (2) two-year relevant experience and knowledge in or/and of:

22. Evaluation Criteria:

For the purposes of comparison and in order to ensure a meaningful evaluation, bidders are requested to furnish detailed information of compliance to the evaluation criteria mentioned in Table 20.1.6.1;

22.1.2 A bidder that scores less than **60 points out of 100** in respect of "functionality" will be regarded as submitting a non-responsive bid and will be disqualified;

22.1.3 This will include a track record of past experience, references and contact details;

22.1.4 The criteria for assessment will include both qualitative and financial (price) aspects of the proposal. The qualitative criteria will make **100 %** of the assessment for **qualification as responsive**, the **price** making up the other **80%** and the **B-BBEE** status level the other **20%**;

22.1.5 The criteria will be as follows:
Weights and Values for the functionality evaluation criteria

0	None
1	Poor
2	Fair
3	Good
4	Very good
5	Excellent

22.1.6 The following criteria will be used in particular as the criteria for appointment, apart from those laid down in the Preferential Procurement Regulations, 2001 pertaining to the Preferential Procurement Policy Framework Act, Act 5 of 2000. Bids will be evaluated individually on score sheets, by a representative evaluation panel according to the evaluation criteria indicated below

Table 23.7

No	Evaluation CRITERIA	Relative Weight	Score (1 -5)	Total
1.	A minimum of 2 years' verifiable experience in mentoring and facilitation of meat inspector/examiner with not less than 3 contactable references in clients letter heads, contact person and position (Attach detailed CV of experience in accredited training in meat inspector the key personnel with contactable reference of similar work undertaken, list names, addresses, telephone number and email with: 1-year experience=2 2 years' experience=3 3 years' experience=4 4 and above experience =5	**40**		
2.	A relevant accreditation to train and produce meat inspectors/examiners(at least three (3) letters with letter heads, contacts and addresses No reference letter=1 1-2 reference letters=2	**40**		

	3 reference letters=3 4 and above reference letters=4			
4.	Proposal methodology that describe how the service provider. intend to ensure delivery with workplan, timephrame and cost. No Methodology=1 Methodology=2 Detailed with workplan=3 Detailed workplan and time phrame=4 Detailed workplan/ timephrame and cost=5	20		
	Total points	**100**		

The proposal will be evaluated individually on score sheets, by a representative evaluation panel according to the evaluation criteria indicated above. All service providers who scored less than **60** out of **100** points for functionality will not be considered further.

NB: Points scored for Quality (functionality) will not have an influence on the total tender evaluation points. Method 2 (i.e. financial offer and preferences) will be used to calculate the total tender evaluation points.

Calculation of Points for Price

The Preferential Procurement Regulations, 2011 pertaining to the Preferential Procurement Policy Framework Act, Act No 5 of 2000 prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis. Thus, bidders who provide the lowest quote will get full 80 points for price.

Calculating of points for B-BBEE Status Level of Contribution

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

Bidders must submit original and valid B-BBEE Status Level Verification Certificate or certified copies thereof, issued by accredited Verification Agencies by SANAS or sworn affidavit signed by deponent and attested by a commissioner of oath. The Exempted Micro Enterprise must submit a letter from the Accounting Officer who is appointed in terms of Close Corporation Act.

Bidders who do not submit B-BBEE Status Level Verification Certificate or are non-compliant contributors to be B-BBEE do not qualify for preference points for B-BBEE.

Relevant qualifications including CSV's, Company profile and **Registration Certificate** must be submitted failure to do so will render the service provider to be disqualified.

This will include a track record of past experience, references and contact details;

This bid shall be evaluated in accordance with the 80/20 Preference Point System

Valid Tax clearance certificate must be submitted, if the period has expired the proposal is non-responsive;

The **SBD 8 "Declaration of bidders past conducts"** must be fully completed and signed;

The Electronic Fund Transfer (EFT) forms must be submitted with the proposal documents.

- **The Electronic Fund Transfer** (EFT) form "Entity maintenance form" must be completed and stamped by the relevant bank.

23. FURTHER INSTRUCTIONS

23.1 The service provider agrees to present and defend all the reports in any court of law, should it be necessary;

23.2 The service provider agrees to work in close co-operation with the Project Officer and/or any designated official responsible for managing the Project and inform them of any developments as per the deliverables and timeframe;

23.3 The service provider agrees to be called upon by the Provincial Shared Service Centre: Gauteng and/or any designated official responsible for managing the Project whenever it is necessary to further explain the mentorship plan and reports as part of the service without any extra charge.

The Provincial Shared Service Centre would wish to advise that in the event that you do not receive an appointment letter/purchase order within 4 months from requesting this quotation you should presume that this quotation was not successful. Please feel free to discuss the not-successful of your bids with any Supply Chain Official within the above-mentioned office.

Invoices / Accounts:

Officials	Designation	Contact details
Ms Rebecca Manamela	Assistant Director: SCM	Address:

Process after completion of the services:

The invoice can be referred to:

iv. Supply Chain Management
v. 524, Suncardia Shopping Centre
vi. Cnr Steve Biko and Stanza Bopape
vii. Ms R Manamela

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ANNEXURE B

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state[1], or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). 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, shareholder[2], member): ....

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

2.5 Tax Reference Number: ....

2.6 VAT Registration Number: ....

2.6.1 The names of all directors / trustees / shareholders / 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 attach proof of such authority to the bid document? **YES / NO**

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

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

…………………………………………………………………
…………………………………………………………………
…………………………………………………………………

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

2.8.1 If so, furnish particulars:
…………………………………………………………………
…………………………………………………………………
…………………………………………………………………

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

2.9.1 If so, furnish particulars.
…………………………………………………………………

………………………………………………………………
………………………………………………………………

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.

………………………………………………………………
………………………………………………………………
………………………………………………………………

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

………………………………………………………………………………
………………………………………………………………………………
………………………………………………………………………………

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

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

4 DECLARATION

I, THE UNDERSIGNED (NAME)……………………………………………………………………

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

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

November 2011

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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, 2011.

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1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

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

1.3 Preference points for this bid shall be awarded for:

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

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

		POINTS
1.3.1.1	**PRICE**	....
1.3.1.2	**B-BBEE STATUS LEVEL OF CONTRIBUTION**	....
	Total points for Price and B-BBEE must not exceed	**100**

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

2..1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

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

2.3 **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **"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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

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

2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 **"consortium or joint venture"** 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;

2.8 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;

2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less .

2.10 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 **"non-firm prices"** means all prices other than "firm" prices;

2.13 **"person"** includes a juristic person;

2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;

2.15 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;

2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

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

4. POINTS AWARDED FOR PRICE

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

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

80/20 or **90/10**

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

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (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	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

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

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm .... :

9.2 VAT registration number :..

9.3 Company registration number ....
:

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
One person business/sole propriety
Close corporation
Company
(Pty) Limited
[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

Manufacturer
Supplier
Professional service provider

Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? ....

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution

WITNESSES:

1. ....

.... SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:..
ADDRESS:...................................
....
....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

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

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

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

SBD 8

CERTIFICATION

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

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

………………………………………...
Signature

…………………………..
Date

……………………………………….
Position

…………………………..
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) must form part of all bids[1] invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).[2] Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.

b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____

(Bid Number and Description)

in response to the invitation for the bid made by:

____

(Name of Institution)

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

I certify, on behalf of:____that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a) has been requested to submit a bid in response to this bid invitation;

   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium[3] 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

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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

7.1 Within thirty (30) days of receipt of the notification of contract award,

security

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

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

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

(b) a cashier's or certified cheque

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

8. Inspections, tests and analyses

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

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

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

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

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

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (NIP) Programme

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

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.