



BID

**FOR THE APPOINTMENT OF A DEBT COLLECTION
SERVICE PROVIDER TO MEGA FOR A PERIOD OF THREE
(3) YEARS.**

Issued by:

**Mpumalanga Economic Growth Agency “MEGA”
Supply Chain Management Unit
02 Eastern Boulevard
Riverside,
Mbombela,
1200**

MEGA / 2025 / 02

CLOSING DATE: 05 MARCH 2025 AT 12:00 PM

NAME OF A BIDDER: _____

TOTAL PRICE (all inclusive): _____

SECTION 1: BIDDING INFORMATION

TERMS OF REFERENCE
BID FOR THE APPOINTMENT OF A DEBT COLLECTION SERVICE PROVIDER TO MEGA FOR A PERIOD OF THREE (3) YEARS

1. INTRODUCTION

The Mpumalanga Economic Growth Agency, hereinafter referred to as “**MEGA**” is a schedule 3D entity of the Mpumalanga Provincial Government with a mandate of stimulating economic growth in the Province through inter alia:-

- (i) the provision of funding to SMMEs, Co-operatives and Agricultural enterprises, as well as the provision of housing loans to citizens of Mpumalanga within the gap market;
- (ii) proactively identifying investment opportunities within the Province, attracting investment into such opportunities through various trade and investment promotion initiatives, as well as facilitating that such investments into the province derive maximum development impact;
- (iii) delivering massive infrastructure within the Province;
- (iv) the development and management of property in the form of industrial parks which stimulate economic activity in the Province.

In exercising its powers and functions as articulated in the Act, [“the MEGA Act 1 of 2010”], the entity must continually broaden the participation of Mpumalanga citizens in all the sectors of the economy and accordingly contribute, whether directly or indirectly, to the alleviation of poverty, unemployment and inequality.

2. PURPOSE

The purpose of this bid is to appoint a Service Provider for the provision of debt collection services to MEGA and to attract potential new tenants for a period of three (3) years on a need basis.

The issuance of this bid does not constitute a commitment to award a contract or pay any costs incurred in the preparation of this bid. Submitting a response to this bid is not a guarantee in any way that an interested party will be awarded, nor does it preclude any interested party from responding to the future procurement opportunities.

3. BACKGROUND

-The required debt collection services have been categorized and classified as reflected below:

CLASSIFICATION	NATURE OF DEBT
Municipal	• Provision of water and electricity • Provision of sewage and refuse removal
Rental	• Lease of property to natural or legal persons
Housing Loans	• Loans are granted to natural or legal persons to buy, build or renovate their houses. • Standard term of 18 years, but the debt may be restructured with an extension of up to 25 years.
SMME loans	• Loans extended to legal persons to start new ventures or to develop their existing business with a maximum repayment term of 10 years.
Agricultural loans	• Loans granted to farmers and related to agricultural enterprises in order to grow the agricultural sector. • Livestock: Maximum repayment period of 3-8 years.
Equity loans	• Capital funding provided to projects supported by MEGA. • Repayment terms are based on the period of the contract.

4. SCOPE OF WORK

4.1.1 Debt Recovery and Collection

4.1.1 Reconciliation of accounts: Reconcile debt owed to MEGA for collection.

4.1.2 Track and trace: Tracing of defaulting clients.

4.1.3 Communication with Debtors: External collectors will initiate communication (via letters, phone calls, or emails) with the debtor to recover outstanding payments.

4.1.4 Negotiation of Settlements: They may negotiate repayment terms or a settlement of the debt for less than the full amount owed, depending on the debtor's financial situation.

4.1.5 Negotiation of repayment arrangements: Negotiate and implement new repayment arrangements, keep records of all documentation.

4.1.6 Collection Actions: They may use legal methods to recover debts, including filing lawsuits, garnishing wages, or seizing assets, in accordance with the law.

4.1.7 Debt recovery: Utilize any form of debt recovery strategy to ensure recovery

4.2 Legal Enforcement and Actions

4.2.1 Litigation: External legal debt collectors can file lawsuits to collect the debt, including representing MEGA in court.

4.2.2 Judgment Enforcement: If a court judgment is obtained, debt collectors can initiate enforcement actions, such as bank levies, wage garnishments, or property liens, to collect the debt.

4.2.3 Repossession or Foreclosure: In cases where the debt is secured by property, external collectors may initiate repossession or foreclosure proceedings.

4.2.4 Deceased accounts: Assist with the submission of claims from deceased estates.

4.3 Compliance with Regulations

4.3.1 Adherence to Laws: External debt collectors must comply with all relevant laws and regulations, such as the NCR. This includes respecting the rights of the debtor and avoiding harassment.

4.3.2 Consumer Protection: They must ensure that collection activities do not violate consumer protection laws, including limits on contact frequency and permissible collection tactics.

4.4 Reporting and Documentation

4.4.1 Account Monitoring and Updates: Collectors must keep MEGA updated on the status of the debt recovery process, providing monthly detailed reports on communication efforts, payments made, or further actions taken.

4.4.2 Record Keeping: They must maintain proper documentation of all correspondence, agreements, payments, and legal proceedings related to the debt.

4.5 Debt Portfolio Management

4.5.1 Assessment of Debt Viability: External collectors may evaluate the likelihood of successful debt recovery based on factors like debtor solvency and the age of the debt.

4.5.2 Debt Portfolio Sale: In some cases, they may work with MEGA to sell non-performing debts to third-party debt buyers if collection attempts are unsuccessful.

4.6 Communication with Credit Bureaus

4.6.1 Credit Reporting: Legal debt collectors may report unpaid debts to credit bureaus, which can impact the debtor's credit score and create further pressure to settle the debt.

4.7 Dispute Resolution

4.7.1 Debt Disputes: If a debtor disputes the debt or claims inaccuracies, external collectors may be involved in resolving the dispute, which could include providing documentation or legal evidence to validate the claim.

4.8 Financial Assessment

4.8.1 Evaluation of Collectability: External collectors may assess the collectability of a debt and provide recommendations to MEGA, potentially advising on whether to pursue legal action or write off the debt.

4.8.2 Performing of audits: Perform clients audits as prescribed by MEGA from time to time.

4.9 Attracting potential new clients

4.9.1 Identify potential clients: During collection processes, the Debt Collectors are encouraged to market and attract new affording clients.

4.9.2 Rehabilitation of clients: The Debt Collectors should identify which clients can be rehabilitated through collection processes.

4.10. MEGA would also like to promote broad-based transformation and development of small and medium companies in this industry and as such will appoint a service provider/ company in the following categories. The bidder must indicate, in the table below, with an **(X)** the relevant category:

COMPANY CATEGORIES	DEFINITION	PLEASE MARK WITH AN (X)
Category 1: Small Company	Company with an annual turnover of not more than R10 million.	
Category 2: Medium Company	Company with an annual turnover greater than R10 million but below R50 million.	
Category 3: Large Company	Company with an annual turnover greater than R50 million.	

5 PROJECT TIMELINES

The appointed service provider(s) will be required to provide the services for a period of three (3) years, subject to a six [6] month's review of the service provider's performance. MEGA reserves the right to extend the term of appointment for a period no longer than 12 months.

6 PROJECT MANAGEMENT

A project task team in MEGA will consider all the monthly interim reports and a consolidated report at the end of each financial year in which the project is in process.

MEGA day-to-day management of the project will be located at the Office of the CFO. The service provider will report directly to the CFO who will:

- i. Ensure processing (payment) of invoice.
- ii. Act as the primary contact point between the service provider and the task team members.
- ii. Oversee submission of monthly progress reports by the service provider of the department.
- iii. Furnish all available data, documents and relevant information where necessary.

Further reporting will be discussed with the successful service provider. However, it will be expected of service provider to indicate the proposed project management set-up and milestones in the project proposal.

The service provider must identify a project leader to hand in progress reports and shall present a work plan. The successful service provider will be expected to further discuss the project plan at the orientation meeting with MEGA outlining how the work is going to be structured.

All reports must be in English. Hard or digital copies of the debtors' project documents should be submitted. All documents, materials, data and information in whatever manner or format, whether hardcopy, digital, videotape or otherwise will remain the property of the MEGA and are not to be discussed or released to any third party without the written consent of MEGA.

7 TECHNICAL PROPOSAL

7.1 Technical proposal which contains the following:

- Detailed methodology to be followed in executing the project and timelines
- Resources that will be provided in executing the task or project
- The Curriculum Vitae of all project team members
- Clearly indicate the availability of team members and their role in the execution of the project
- Any other information in support of or elucidating the proposal
- Collection fee structure based on a "no collection, no charge" principle
- Experience relevant to the requirements of the project

8 EVALUATION CRITERIA

8.1 THE ADJUDICATION METHOD

The three (3) stages of tender evaluation and awarding process will be used to adjudicate the tender documents that will be submitted by potential bidders. The stages are described as being;

- **Stage 1** - Responsiveness assessment: Tenders evaluated for responsiveness based on the mandatory requirements stated.
- **Stage 2** - Functionality assessment
- **Stage 3** – Quantitative assessment: Financial offer (tender price) evaluation and Empowerment adjudication: Evaluation of the bidders scores for the price submitted and specific goals. A bidder scoring the highest points in terms of price and specific goals will be recommended for appointment. 80/20 evaluation criteria will be used for this bid.

NB: all bidders should at least obtain a minimum of 70% in stage 2 (functionality) to qualify for stage 3

(Price Evaluation).

Price Points = 80

Specific goals = 20

TOTAL =100

Appointment of a preferred bidder(s)

Subject to the provisions of MEGA Supply Chain Management Policy and the Preferential Procurement regulations of 2022,

MEGA reserves the right to:

- appoint one or more bidder(s) to provide the required service.
- where applicable, negotiate the final fee or rates with the preferred bidder(s)
- MEGA reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2024/2025: Cost Containment Measures**, where relevant.

8.2 MANDATORY REQUIREMENTS

All the submitted proposals will be assessed for compliance with the mandatory requirements listed below:

TABLE A: MANDATORY REQUIREMENTS

MANDATORY REQUIREMENTS (Failure to meet the requirements below), the bidder will be disqualified)	
1.	Registration with the Council for Debt Collectors: <i>The company / directors must be registered with the Council for Debt Collectors as per the prescripts of the Debt Collectors [Act No. 114 of 1998].</i> Note: Bidders will be required to submit a certified valid certificate of registration with the Council for Debt Collectors. Proof of registration of your debt collectors who will be handling the MEGA Accounts.
2.	Trust Account: <i>The company must provide a certified copy of registration of a Trust Account as contemplated in section 10 of the Regulations Relating to Debt Collectors.</i>
3.	In case of a Joint Venture, an original or original certified copy of the joint / partnership agreement must be attached
4.	Fully completed pricing schedule
5.	Completion of SBD1 - Total bid price
6.	Fully completed, signed Standard bidding documents (SBD1; SBD4; SBD6.1; SBD6.2; SBD 8 and SBD9)
7.	Letter of authority to sign the bidding documents
8.	Certified copies of Directors' or Shareholders Identity documents
9.	Proof registration on Central Supply Database (Detailed report)
10.	Letter of approval by the Executive Authority to do business if the entity has a member(s) who is / are Government employees
11.	Bidders who submit information that is fraudulent, factually untrue or inaccurate;

6.3 FUNCTIONALITY ASSESSMENT

The following criteria will be applied for the evaluation of the bidders. Bidders are therefore requested to submit information listed in the table below to enable MEGA to evaluate the capability and capacity of the bidding entity.

No.	Criterion	Expected Response	Weight
1.	Automated online debt management system	<i>The service provider is expected to submit proof of the online debt management system that they will use (Shortlisted bidders will be expected to present the system and how it will be operate)</i>	20
2.	Bidder's Previous experience	<i>The bidder must have demonstrable experience in Debt Collection services The bidder must provide details of Debt Collection projects that they have handled (List of projects with contact person and values to be submitted - minimum 5)</i>	20
3.	Recommendation or reference letters	<i>The bidder must provide reference/ recommendation letter(s) from a client(s) where the bidder recently provided debt collection services</i>	10
	Personnel experience in debt collection and debt management	<i>The bidder must have in its current employ debt collectors that have experience in the service categories the bidder is bidding for. The bidders must submit, as part of its proposal, the following:</i> <i>List of debt collector(s) in the current bidder's employ.</i> <i>CV's and certified qualification of the debt collectors: The CVs must clearly highlight qualifications, areas of experience/ competence relevant to debt collection.</i>	10

Each criterion will be evaluated on a scale of 0 to 5 which shall be scored as indicated in the table below:

$$\text{Criterion Points scored} = \frac{\text{score (0 to 5)}}{5} \times \text{Weight of the Criterion}$$

Response	Score	Minimum assessment criteria
No response	0	The bidder does not include the relevant information required in the bid document.
Very poor	1	The bidder submits <u>relevant</u> information but is either incomplete or <u>lacks significantly</u> in addressing the expected response.
Poor	2	The bidder submits <u>relevant</u> information but is either incomplete or <u>somewhat lacking</u> in addressing the expected response.
Adequate	3	The bidder provides <u>sufficient information</u> as expected that addresses the required response adequately.
Very good	4	The bidder provides <u>more than sufficient</u> information which demonstrates superior (more than adequate/average) experience and knowledge to address the required response.
Excellent	5	The bidder provides more than sufficient information which demonstrates superior (more than adequate/average) experience and knowledge to address the required response. In addition, the bidder provides <u>innovative solutions and/or approach</u> to address the identified problem(s)

A bidder who scores less than 70 points will not be evaluated further for price and specific goals.

8 PRICING SCHEDULE

PRICING INSTRUCTIONS

1. Pricing schedule should be completed in full and failure to do so will result in bid disqualification.
2. No hidden cost will be accepted.

SERVICES	ESTIMATED VALUE (PER ANNUM)	PERCENTAGE RATE OF DEBT COLLECTED	INCLUSIVE PERCENTAGE AMOUNT
1. DEBTBOOK	R30, 000,000.00		
2. NEW TENANTS RECRUITED	R30, 000,000.00		
VAT AMOUNT AT 15%			
TOTAL TENDER PRICE (Incl VAT)			

9 PRICING SCHEDULE - EXAMPLE

SERVICES	ESTIMATED VALUE (PER ANNUM)	PERCENTAGE RATE OF DEBT COLLECTED	INCLUSIVE PERCENTAGE AMOUNT
1. DEBTBOOK	R30, 000,000.00	1%	R300,000.00
2. NEW TENANTS RECRUITED	R30, 000,000.00	1%	R100,000.00
VAT AMOUNT AT 15%			R60,000.00
TOTAL TENDER PRICE (Incl VAT)			R460,000.00

TOTAL TENDER OFFER - TO BE STATED UNDER SBD1 R.....(Incl. VAT)

Tender Offer (in words):

Name:

Signed:

Date:

Capacity:

Company name:

10 CONFIDENTIALITY

This bid and all information in connection therewith shall be held in strict confidence by interested parties and usage of such information shall be limited to preparation of the bid.

11 ENQUIRIES

Enquiries related to this bid may be addressed via email on or before 26 February 2025 and time as indicated below:

All Supply Chain Management enquiries must be directed to:
Mr Robert Masambo Mpumalanga Economic Growth Agency Supply Chain Management Unit: 013 492 5818 scm@mega.gov.za

12 CLOSING DATE AND TIME

Time: 12h00 pm South African Time (GMT +2.00)

Date: 05 March 2025

13 COMMUNICATION OF SUCCESSFUL AND UNSUCCESSFUL BIDDERS

The result of this bid will be advertised on the Mpumalanga Tender Bulletin and the MEGA website.

14 BID VALIDITY PERIOD

The validity period of the tender is 90 calendar days.

15 METHOD AND PLACE OF SUBMISSION

All Bid documents together with supporting documents must be submitted on a sealed envelope, marked with the Name of bidder, Bid number, Bid description and closing date and be deposited in the tender box as per closing date and time per bid above. The address is as follows:

1st Floor Supply Chain Management Unit

MEGA Office Park

02 Eastern Boulevard

Riverside

MBOMBELA

1200

All bidders are requested to submit the documents in two [2] formats, namely, one [1] original and [1] Copy on USB.

SECTION 2: RESPONDENTS INFORMATION

SECTION 2: RESPONDENT INFORMATION

(To be completed by Respondent)

Respondent Information

1. Name of company: _____

2. Company registration number: _____

3. Address of company:

Postal Address:

Street Address:

Company's internet address: _____

4. Contact person:

Name: _____

Designation: _____

Telephone number: _____

Fax number: _____

5. Names of the directors of your company:

Name:

Designation:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Total number of Employees:

7. Declaration:

The information supplied in this document is correct and complete to the best of my knowledge and accurately reflects the capability of:

(Company name):

Signature:

Date:

Name:

This bid is signed in my capacity as:

SECTION 3: TERMS AND CONDITIONS

SECTION 3: TERMS AND CONDITIONS

(To be read very carefully by respondent)

Special conditions for the bid

1. INTERPRETATION AND DEFINITIONS

1.1 Definitions

The expressions defined below shall have the meaning hereby assigned to them unless inconsistent with the context of a particular proposal, agreement, contract or order.

1.1.1 "Company": Mpumalanga Economic Growth Agency

1.1.2 "Closing date": the date and hour specified in the document

2. BID INVITATION

2.1 Bid Preparation

All costs in the preparation, presentation and demonstration will be on the account of the interested parties. All supporting documentation and manuals submitted in response to this bid will become "company's" property unless otherwise stated by the interested parties at the time of submission.

2.2 Confidentiality

The information obtained through this bid will be regarded as confidential; however, MEGA does not accept liability for any information which may become public.

2.3 Samples

Interested parties may, as part of their response, submit samples, brochures or documentation of the products supplied by the interested parties. Samples, brochures and documentation submitted will be returned to the interested parties only on request.

2.4 Background checks

MEGA reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to MEGA to conduct background checks on the bidding entity and any of its directors/ partners / trustees / shareholders / members.

2.5 South African Based Debt Collection companies

MEGA promotes Local Production and Content; and for the purpose of this tender, MEGA reserves the right to only consider South African based debt collection companies for appointment under this tender.

3. BID

3.1 Document requiring completion and return

Interested parties must complete and submit the following documents as part of their response:

- a. Prescribed bid document
- b. Completed and signed SBD documents (SBD1, 4, 6.1, 6.2; 8 and 9)
- c. General conditions of contract
- d. Any information required in this bid

3.2 Amendment of documents by MEGA

MEGA may, at any time prior to the deadline for lodging the bid, amend the documents or extend the time for lodging documents by notice in writing to the prospective Interested parties. (Any amendments under this clause will become part of the request for information).

4. PREPARATION OF THE BID

4.1 Language of documents

The bid and all correspondence and documents related to the bid exchanged by the interested parties and MEGA shall be written in English.

5. SUBMISSION OF THE BID

5.1 Address and marking of bid

All bids must be:

- a) Enclosed in a plain envelope or wrapping and clearly marked with the bid number specified on the document.
- b) Lodged so as to ensure that they are received not later than the closing time and date specified for their receipt in accordance with directives issued with the document.

5.2 Number of copies required

The interested parties must submit 1 original copy and 1 soft copy (CD / memory stick).

5.3 Closing date

All bids close on the date and the time indicated in the document.

5.4 Late submissions

Bids are late if they are received at the address indicated in the document after closing time and date. MEGA will not consider any late bid(s).

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.

TABLE OF CLAUSES

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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)

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MPUMALANGA ECONOMIC GROWTH AGENCY (MEGA)							
BID NUMBER:	MEGA / 2025 / 02	CLOSING DATE: 05 MARCH 2025	CLOSING TIME: 12H00 PM				
DESCRIPTION	BID FOR THE APPOINTMENT OF A DEBT COLLECTION SERVICE PROVIDER TO MEGA FOR A PERIOD OF THREE (3) YEARS.						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
MEGA OFFICE PARK (1ST FLOOR)							
02 EASTERN BOULEVARD							
RIVERSIDE							
MBOMBELA							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Mr. R Masambo			CONTACT PERSON	Ms. S. Kgoete		
TELEPHONE NUMBER	013 492 5818/7			TELEPHONE NUMBER	013 492 5818/7		
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS	scm@mega.gov.za			E-MAIL ADDRESS	Sarah.kgoete@mega.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA		
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					☐ YES ☐ NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					☐ YES ☐ NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					☐ YES ☐ NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					☐ YES ☐ NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					☐ YES ☐ NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

.....

DATE:

.....

BIDDER'S DISCLOSURE**1. PURPOSE OF THE FORM**

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

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

2. Bidder's declaration

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

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

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

SBD4

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS

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

SBD4

1, 2 and 3 ABOVE IS CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 **To be completed by the organ of state**

- a) The applicable preference point system for this tender is the **80/20** preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 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
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$		

Where

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

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
>51 % Black Ownership	N/A	10	N/A	
>30% Black Female ownership	N/A	5	N/A	
>30% Black Youth ownership	N/A	5	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One-person business/sole propriety
 - ☐ Close corporation
 - ☐ Public Company
 - ☐ Personal Liability Company
 - ☐ (Pty) Limited
 - ☐ Non-Profit Company
 - ☐ State Owned Company
- [TICK APPLICABLE BOX]

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

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

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SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

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