



**APPOINTMENT FOR PANEL OF CONSULTANTS FOR CAPITAL RAISING INCLUDING FACILITATION OF PUBLIC PRIVATE PARTNERSHIP FOR MEGA, SMART AND STUDENT CITIES ON BEHALF OF NORTH-WEST HOUSING CORPORATION (NWHC) FOR A PERIOD OF 36 MONTHS.**

**TENDER NUMBER: NWHC 10/2023**

**CLOSING DATE: 05 DECEMBER 2023**

**CLOSING TIME: 11H00**

**NAME OF BIDDER : .....**

**CONTACT PERSON : .....**

**ADDRESS OF BIDDER: .....**

.....

**TEL NUMBER : (.....).....**

**EMAIL : .....**

**CSD NUMBER : .....**

**BBBEE LEVEL : .....**

|                                       |
|---------------------------------------|
| <b>ISSUED BY:</b>                     |
| <b>SUPPLY CHAIN MANAGEMENT</b>        |
| <b>NORTH WEST HOUSING CORPORATION</b> |
| <b>23 FIRST STREET</b>                |
| <b>SEGARONA BUILDING</b>              |
| <b>INDUSTRIAL SITE, MAFIKENG</b>      |
| <b>2745</b>                           |
| <b>TEL: [018] 110 0761</b>            |



**NORTH WEST HOUSING  
CORPORATION**

## INVITATION TO BID

| BID NUMBER   | BID DESCRIPTION                                                                                                                                                                                                                    | BID DOCUMENT OBTAINABLE FROM                                                                                                                                             | EVALUATION CRITERIA                                                                                                                                                      | CLOSING DATE AND TIME                                                                                                                                 | ENQUIRY                                                                                                                                                                                                                                                                                               |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NWHC 10/2023 | - APPOINTMENT FOR A PANEL OF CONSULTANTS FOR CAPITAL RAISING INCLUDING FACILITATION OF PUBLIC PRIVATE PARTNERSHIP FOR MEGA, SMART AND STUDENT CITIES ON BEHALF OF NORTH-WEST HOUSING CORPORATION (NWHC) FOR A PERIOD OF 36 MONTHS. | E-Tender portal and NWHC website – <a href="http://www.nwhc.co.za">www.nwhc.co.za</a><br><br>Bid documents will be available on Thursday, 09 <sup>th</sup> November 2023 | Functionality as specified in the bid document.<br><b>ONLY FUNCTIONALITY &amp; METHODOLOGY</b> will be applicable.<br>80 – Functionality.<br>20 – Methodology/ Approach. | <b>Tuesday, 05<sup>th</sup> December 2023 at 11H00</b><br>NWHC Head Office,<br>Segarona Building,<br>No.23 First Street,<br>Industrial site, Mafikeng | Scope/Terms of reference:<br>Ms. Grace Moshoeu<br><a href="mailto:gmoshoeu@nwhc.co.za">gmoshoeu@nwhc.co.za</a><br>018 381 5029 / 082 570 5443<br>Supply Chain Enquiries:<br>Mr. Letlhogonolo Makwati<br><a href="mailto:flmakwati@nwhc.co.za">flmakwati@nwhc.co.za</a><br>018 381 5029 / 072 951 7481 |

**Bid documents can be downloaded from National Treasury's E-Tender Publication Portal and NWHC website, [www.nwhc.co.za](http://www.nwhc.co.za)**



**NORTH WEST HOUSING  
C O R P O R A T I O N**

Completed Original bid documents must be sealed and marked with the relevant bid/proposal document number and description thereof and must be hand delivered or couriered and dropped in the Tender box at the address indicated under the above closing date and venue.

The North-West Housing Corporation does not bind itself to accept the lowest or any other bid in a whole or part.

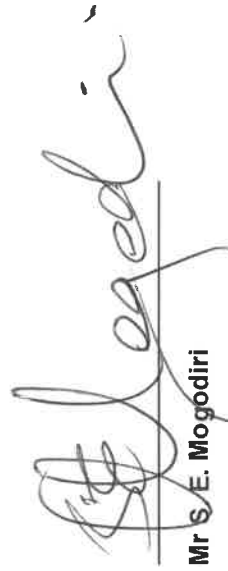
**If you do not hear from NWHC within 90 days of the closing date, you must regard your offer as unsuccessful.**

**Service providers are requested to register on the Central Supplier Database <https://secure.csd.gov.za/>, which can be accessed on the National Treasury website to conduct business with them.**

No Faxed or emailed bids will be accepted.

Late bids will not be accepted.

Approved

  
**Mr S.E. Mogodiri**  
**Chief Executive Officer (CEO)**



## INVITATION TO BID

**NWHC 10/2023: APPOINTMENT FOR PANEL OF CONSULTANTS FOR CAPITAL RAISING INCLUDING FACILITATION OF PUBLIC PRIVATE PARTNERSHIP FOR MEGA, SMART AND STUDENT CITIES ON BEHALF OF NORTH-WEST HOUSING CORPORATION (NWHC) FOR A PERIOD OF 36 MONTHS.**

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1. Service providers are hereby invited to submit proposals a panel of Consultants for Capital Raising including Facilitation of Public Private Partnership for mega, smart and student cities on behalf of North-West province for a period of 36 months.
2. The conditions contained in the General Conditions of Contract (GCC) and the attached bid forms, as well as any other condition accompanying this invitation are applicable.
3. The bidder proposal must be clearly outlined, specified and terms must not conflict with those contained in the General Conditions of Contract.
4. All the documents accompanying this invitation must be completed and signed in ink where applicable by a duly authorised official, be sealed in an envelope or suitable cover marked **NWHC 10/2023** and be deposited / placed in a bid box at North-West Housing Corporation Head Office, Segarona Building, No.23 First Street, Industrial Site, Mafikeng.
5. This tender will close on **Tuesday, 05<sup>th</sup> December 2023 at 11H00.**
6. All enquiries pertaining specifications / SCM related can be directed to Mr L. Makwati at (018) 110 5029 or Ms Grace Moshoeu (018) 018 381 5029 (Technical).
7. **Bid documents can be downloaded from E-tender portal publication ([www.etenders.gov.za](http://www.etenders.gov.za)) or [www.nwhc.co.za](http://www.nwhc.co.za)**
8. Faxed, emailed bids will not be considered, only hand delivered bids will be accepted.
9. **NWHC** reserves the right to award any proposal in whole or in part to one or more service providers and does not bind itself to award the lowest bidder.

## **10. CONDITIONS TO BID:**

**This bid is used under the condition that the bidder should at any stage during the production or execution or on completion of the bid be subjected to inspection. The premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by the representative of NWHC or organization acting on behalf of NWHC. The bidder shall provide, if required, all required facilities for inspections, tests, and analysis of the available apparatus, which may be required for the purpose of such inspection, test and analysis free of charge unless otherwise specified. The bidder also agrees that the financial standing may be examined as part of the inspection.**

**The bid will be awarded subject to the parties signing a Service Level Agreement (SLA).**

## **11. MANDATORY REQUIREMENTS**

- 11.1. All bidders must actively be registered on the National Treasury Central Supplier Database (CSD).
- 11.2. All Bidders employed by the state are not allowed to participate on this bid.
- 11.3. All bidders who are restricted in terms of the National Treasury list are not allowed to participate in this bid.

## **12. SUBMISSION OF BIDS**

Bidders must submit the bid in hard copy format (original documents) to 23 First Street, Industrial Site, Mafikeng, 2745 before the closing date and time. All the relevant forms attached to this bid document must be completed and signed in ink where applicable by a duly authorized official.

The Hard copy of the bid response will serve as the legal bid document. Late bids will not be considered. Please note that bids are late if they are received at the address given in the bid document after bid closing date and time.

**13. LATE BIDS**

Bids received after the closing date and time, at the address indicated above will not be accepted for consideration.

**14. BID VALIDITY PERIOD**

Bids will be valid for a period of 90 days from the closing date.

**15. VALUE ADDED TAX (VAT)**

All bids' prices must be quoted in South African currency and must be VAT inclusive where applicable. All bidding vendors must have a VALID bank account.

**16. TAX CLEARANCE REQUIREMENTS**

The Central Supplier Database (CSD) and the Tax compliance Pin are the only two methods approved of verifying the tax compliance status of the bidder therefore only the CSD and the tax compliance pin will be accepted for this bid.

**17. COMPANY REGISTRATION DOCUMENTS**

A copy of registration certificate, where applicable, indicating names and percentages of shareholders and shareholding (equity) respectively, must be attached.

**18. IDENTITY DOCUMENTS**

Recently certified (not older than three months) copies of Identity Document for all shareholders must be included.

**19. JOINT VENTURE**

In the event of a joint venture both entities must submit valid Tax clearance certificate, company registration where applicable and certified copies of Identity Documents. A joint venture agreement endorsed by both parties and attested by the Commissioner of Oath

must also be attached. Bidders are required to submit a consolidated B-BBEE status level verification certificate in the joint venture not being scored for B-BBEE status level.

## **20. BID ENQUIRIES**

Supply Chain Management Enquiries

Mr F L Makwati

(018) 381 5029

[flmakwati@nwhc.co.za](mailto:flmakwati@nwhc.co.za)

Technical Enquiries

Ms. Grace Moshoeu

(018) 381 5029

[gmoshoeu@nwhc.co.za](mailto:gmoshoeu@nwhc.co.za)

## **STATUTORY NON-TECHNICAL MANDATORY REQUIREMENTS**

- Company Registration Documents (CIPC)
- List of all shareholders / directors with Original certified copies of their IDs (no older than 6 months from the tender closing date)
- Companies must be registered on the CSD (Attach Proof of Central Supplier Database (CSD) registration)
- Duly completed and signed SBD 1 Invitation to bid
- Duly completed and signed SBD 4 Bidder's Disclosure
- Joint Venture Agreement signed by all parties (where JV is in use) and submit copies of company documentation for each party.
- Tax Compliance Status Letter with a unique pin.
- Attach B-BBEE certificate or affidavit B-BBE certificate (B-BBEE Status Level of Contribution. Certified copy of a B-BBEE certificate issued by a SANAS accredited agency or a sworn affidavit in the prescribed format by the National Treasury for EMEs and QSEs or BBEE certificate issued by the Companies and Intellectual Property Commission will be accepted. Service Providers that fail to submit BBEE credentials shall NOT be allocated preference points in line with the PPPF-Act regulations of 2017).
- Audited annual financial statements for the last Three (3) financial years.

**PLEASE ENSURE THAT THE FOLLOWING DOCUMENTS ARE COMPLETED AND SIGNED:**

- SBD 1: Invitation of bid.
- Terms of Reference.
- SBD 2: Tax clearance requirements.
- SBD 4: Declaration of Interest.
- General Conditions of Contract

**NB: SHOULD ALL DOCUMENTS STATED ABOVE NOT BE ATTACHED, FULLY COMPLETED AND DULY SIGNED BY A DESIGNATED PERSON, YOUR BID WILL BE DECLARED INVALID.**

## PART A INVITATION TO BID

|                                                                                                                                                                                                                     |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NORTH WEST HOUSING CORPORATION</b>                                                                                                                         |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| BID NUMBER:                                                                                                                                                                                                         | NWHC 10 / 2023                                                                                                                                                                                                            | CLOSING DATE: | 05th DECEMBER 2023                                                       | CLOSING TIME:                                            | 11H00                                                                                                |
| DESCRIPTION                                                                                                                                                                                                         | APPOINTMENT FOR A PANEL OF CONSULTANTS FOR CAPITAL RAISING INCLUDING FACILITATION OF PUBLIC PRIVATE PARTNERSHIP FOR MEGA, SMART AND STUDENT CITIES ON BEHALF OF NORTH-WEST HOUSING CORPORATION FOR A PERIOD OF 36 MONTHS. |               |                                                                          |                                                          |                                                                                                      |
| <b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>                                                                                                                          |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| NO.23 FIRST STREET, SEGARONA BUILDING                                                                                                                                                                               |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| INDUSTRIAL SITE                                                                                                                                                                                                     |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| MAFIKENG                                                                                                                                                                                                            |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| 2745                                                                                                                                                                                                                |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>                                                                                                                                                               |                                                                                                                                                                                                                           |               | <b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>                           |                                                          |                                                                                                      |
| CONTACT PERSON                                                                                                                                                                                                      | LETLHOGONOLO MAKWATI                                                                                                                                                                                                      |               | CONTACT PERSON                                                           | GRACE MOSHOEU                                            |                                                                                                      |
| TELEPHONE NUMBER                                                                                                                                                                                                    | 018 381 5029                                                                                                                                                                                                              |               | TELEPHONE NUMBER                                                         | 082 570 5443                                             |                                                                                                      |
| FACSIMILE NUMBER                                                                                                                                                                                                    | N/A                                                                                                                                                                                                                       |               | FACSIMILE NUMBER                                                         |                                                          |                                                                                                      |
| E-MAIL ADDRESS                                                                                                                                                                                                      | flmakwati@nwhe.co.za                                                                                                                                                                                                      |               | E-MAIL ADDRESS                                                           | gmshoeu@nwhe.co.za                                       |                                                                                                      |
| <b>SUPPLIER INFORMATION</b>                                                                                                                                                                                         |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| NAME OF BIDDER                                                                                                                                                                                                      |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| POSTAL ADDRESS                                                                                                                                                                                                      |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| STREET ADDRESS                                                                                                                                                                                                      |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| TELEPHONE NUMBER                                                                                                                                                                                                    | CODE                                                                                                                                                                                                                      |               | NUMBER                                                                   |                                                          |                                                                                                      |
| CELLPHONE NUMBER                                                                                                                                                                                                    |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| FACSIMILE NUMBER                                                                                                                                                                                                    | CODE                                                                                                                                                                                                                      |               | NUMBER                                                                   |                                                          |                                                                                                      |
| E-MAIL ADDRESS                                                                                                                                                                                                      |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| VAT REGISTRATION NUMBER                                                                                                                                                                                             |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| SUPPLIER COMPLIANCE STATUS                                                                                                                                                                                          | TAX COMPLIANCE SYSTEM PIN:                                                                                                                                                                                                |               | OR                                                                       | CENTRAL SUPPLIER DATABASE No:                            | MAAA                                                                                                 |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE                                                                                                                                                                        | TICK APPLICABLE BOX]<br><br><input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                      |               | B-BBEE STATUS LEVEL SWORN AFFIDAVIT                                      |                                                          | [TICK APPLICABLE BOX]<br><br><input type="checkbox"/> Yes <input type="checkbox"/> No                |
| <b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>                                               |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?                                                                                                                       | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF]                                                                                                                                        |               | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? |                                                          | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| <b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>                                                                                                                                                                   |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?                                                                                                                                                     |                                                                                                                                                                                                                           |               |                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO |                                                                                                      |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA?                                                                                                                                                                           |                                                                                                                                                                                                                           |               |                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO |                                                                                                      |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?                                                                                                                                                          |                                                                                                                                                                                                                           |               |                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO |                                                                                                      |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?                                                                                                                                                               |                                                                                                                                                                                                                           |               |                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO |                                                                                                      |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?                                                                                                                                                           |                                                                                                                                                                                                                           |               |                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO |                                                                                                      |
| IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW. |                                                                                                                                                                                                                           |               |                                                                          |                                                          |                                                                                                      |

## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE [WWW.SARS.GOV.ZA](http://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 interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
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|           |                 |                           |
|           |                 |                           |

- 2.2 Do you, or any person connected with the bidder, have a relationship

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<sup>1</sup> 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**

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 consortium<sup>2</sup> 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

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<sup>2</sup> 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**

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 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



NORTH WEST HOUSING  
CORPORATION

## **TERMS OF REFERENCE**

**NWHC 10/2023**

**PANEL OF CONSULTANTS FOR CAPITAL  
RAISING INCLUDING FACILITATION OF  
PUBLIC PRIVATE PARTNERSHIPS FOR  
MEGA, SMART AND STUDENT CITIES ON  
BEHALF OF THE  
NORTH WEST HOUSING CORPORATION  
(NWHC) FOR  
A PERIOD OF 36 MONTHS.**

**HEAD OFFICE:**

● No. 23 First Street, Segarona Building,  
Industrial Site, Mahikeng, 2745

● Tel: 018 381 5029 / 0647  
● Fax: 018 381 5847

● Email: [Info@nwhc.co.za](mailto:Info@nwhc.co.za)  
● [www.nwhc.co.za](http://www.nwhc.co.za)

## **1. BACKGROUND**

The North-West Housing Corporation (NWHC) is a schedule 3(c) Public Entity in terms of the Public Finance Management Act ("PFMA") No.1 of 1999, and it was established in terms of the North-West Housing Corporation Act 24 of 1982 as amended (the NWHC Act)

The Corporation was established by the NWHC Act, for the purposes of providing and furthering the provision of housing and accommodation in the Province on a coordinated basis and on a national scale and assisting in the formation of policies to achieve these objectives, to provide for the management, control and representation of the said Corporation by a Board of Directors, to define the powers, functions and duties of the said Corporation, and to provide for incidental matters.

## **2. NORTH-WEST HOUSING CORPORATION MEGA CITIES PROGRAMME**

The North-West Housing Corporation is engaged in the development of the Mega/ Smart Cities and Students Accommodation projects.

The Mega/ Smart and Students Accommodation Cities Projects identification is aligned with the **Priority Human Settlements & Housing Development Areas (PHSDAs)** that were declared by the **Minister of National Human Settlements for North-West Province**.

**Developers and Feasibility Consultants** were appointed in line with Treasury requirements of Public Private Partnerships (PPPs) model.

As it is known, The Public Finance Management Act (1999) regulates National and Provincial **PPPs** through **Treasury** Regulation 16. Approval was sought to undertake such **partnerships** from the National **Treasury** and for **four** phases (*Feasibility Study, Procurement, Value for Money and Final PPP Agreement*).

The following are the **Mega/ Smart and Students Accommodation Cities Projects** as developed by the **North-West Housing Corporation (NWHC)**:

1. Mahikeng Mega City
2. Mahikeng Student Accommodation
3. Potchefstroom Mega City
4. Marikana Mega City

5. Rustenburg Mega City
6. Mogwase Mega City
7. Madibeng/ Lanseria Mega City
8. Taung Mega City
9. Matlosana Smart City
10. Moretele Mega City
11. N14 Klerksdorp (*Ventersgate*)

### **3. BACKGROUND TO ASSIGNMENT**

North-West Housing Corporation is seeking to establish a panel of experienced consultants for raising capital and facilitate public private partnerships for their MEGA, SMART and STUDENT Cities within the North-West Province. This Panel will assist the Corporation in sourcing necessary funding for various projects and facilitate public private partnerships. The North-West Housing Corporation intends to comply with proposals from a Suitable, Qualified, and Competent Service Provider to render Professional Services on the following combined approach:

### **4. OBJECTIVES:**

The primary objective of this tender is to identify a panel of consultants who can provide their expertise and services to facilitate funding for projects undertaken by the NWHC. The selected panel members will be required to gather necessary financial information, formulate funding strategies, and present viable financing options to support the NWHC's project portfolio.

### **5. ELIGIBILITY CRITERIA:**

Interested applicants must meet the following eligibility criteria to be considered for the panel:

**5.1 Proven Track Record:** Applicants must demonstrate a strong potential in successfully sourcing funding for projects in the built and infrastructure sector. This includes providing examples of successfully completed projects if any, and references from satisfied clients.

**5.2 Expertise:** Applicants must possess in-depth knowledge and understanding of public finance, treasury rules, and regulatory requirements pertaining to funding for public infrastructure projects.

5.3. Financial Capacity: Applicants must demonstrate sufficient financial capacity in accessing the necessary capital resources to support the funding requirements of the NWHC's projects.

## **6. . KEY SERVICES REQUIRED:**

The selected panel members will be expected to provide the following key services:

6.1. Financial Analysis: Conduct in-depth financial analysis of the NWHC's projects, assess their financial viability, and identify potential funding gaps.

6.2 Funding Strategy: Develop comprehensive funding strategies that align with the NWHC's objectives while adhering to PMFA and treasury rules. This strategy should consider a range of potential funding sources, including grants, loans, public-private partnerships, and other innovative financing mechanisms.

6.3 Proposal Preparation: Assist in the preparation of high-quality funding proposals, ensuring all required documents are accurately completed and submitted within specified deadlines.

6.4 Investor Relations: Establish and maintain relationships with potential investors, financial institutions, government authorities, and funding agencies to explore and secure financing opportunities.

6.5 Risk Assessment: Conduct a thorough risk assessment for each funding option and provide recommendations to mitigate potential risks.

6.6. Reporting: Provide regular progress reports detailing the status of funding applications, including successes, challenges, and any recommended adjustments to the funding strategy.

## **7. EVALUATION PROCESS**

Bids proposal will be evaluated in accordance with the 80/20 preference point system as contemplated in the Preferential Procurement Regulation of 2022, and all bid offers received shall be evaluated based on the following criteria:

**Stage 1: Administrative Compliance**

**Stage 2: Functionality**

### **7.1. Evaluation Stage One: Administrative Compliance/ Responsiveness**

Responses will be checked to verify the following and non-compliance may disqualify the bid:

### 7.1.1. RESPONSIVENESS CRITERIA

All respondents who submit must FULLY submit and satisfy the following to be responsive:

- 7.1.1.1. Fully completed Bid Document
- 7.1.1.2. Completed and Signed SBD forms.
- 7.1.1.3. Submission of Original Valid Tax Clearance Certificate/pin (TCC)
- 7.1.1.4. Certified copies of ID(s) of Directors or main shareholders.
- 7.1.1.5. Company Profile
- 7.1.1.6. CVs of all personnel that will form part of the service provider indicating relevant experience.
- 7.1.1.7. Copies of Qualification
- 7.1.1.8. Proof of relevant company experience
- 7.1.1.9. CSD Full Report

**NB: Any bidder that does not comply with ANY of the above-mentioned criteria will be eliminated from the evaluation process and will not be considered for the panel.**

### 7.2. Evaluation Stage Two: Functionality criteria

The following criteria will be used for evaluating all bids/ proposals for functionality and bidders are expected to obtain **a minimum of 70 out of 100** points to proceed/qualify for further evaluation. Failure to obtain the prescribed 70 points will automatically disqualify the bidder from proceeding to the next evaluation stage. Below is a table that shows how the 100 points of functionality will be allocated.

| NO        | EVALUATION CRITERIA OR ELEMENT                                                                                                                                                                 | SCORING                                                                                  | MAXIMUM POINTS (TOTAL = 100) |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------|
|           | <b>(Failure to meet the minimum threshold will result in a disqualification)</b>                                                                                                               |                                                                                          |                              |
| <b>1.</b> | <b>COMPANY EXPERIENCE</b>                                                                                                                                                                      |                                                                                          | <b>Maximum of 30 Points</b>  |
| 1.1       | Bidders must demonstrate that they have relevant experience in Capital raising and facilitation of Public Private Partnerships. (Appointment letters and/or Reference letters to be submitted) | 3 or more appointment, reference letter and completion certificate(s) = <b>30 Points</b> |                              |
|           |                                                                                                                                                                                                | 2 appointment, reference letter and completion                                           |                              |

|             |                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                      |                             |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------|
|             |                                                                                                                                                                                                                                                                                                                                                                                      | certificate(s) = <b>20 Points</b>                                                    |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | 1 appointment, reference letter and completion certificate = <b>10 Points</b>        |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | Non-submission = <b>0 Points</b>                                                     |                             |
| <b>2.</b>   | <b>KEY PERSONNEL</b>                                                                                                                                                                                                                                                                                                                                                                 |                                                                                      | <b>Maximum of 40 Points</b> |
| <b>2.1.</b> | <b>FINANCIAL SPECIALIST</b>                                                                                                                                                                                                                                                                                                                                                          | <b>(max points = 20)</b>                                                             |                             |
|             | 2.1.1. Qualification<br>Bachelor's Degree or above in Finance (i.e., Accounting, Economics, Financial Accounting, Actuarial Science, Public or Business Administration)                                                                                                                                                                                                              | Bachelor's Degree = <b>10 Points</b>                                                 |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | Non-submission = <b>0 Points</b>                                                     |                             |
|             | 2.1.2 Experience<br>Experience in the field of Project finance, corporate finance, development finance or similar specialization where the specialist provided FINANCIAL ADVISORY services in the infrastructure sector or built environment, to investors or financiers, government, construction companies, commercial banks, development finance institutions and other investors | 10 years' experience or above = <b>10 Points</b>                                     |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | 5 to 9 years' experience = <b>5 Points</b>                                           |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | Less than 5 years' experience = <b>0 Points</b>                                      |                             |
| <b>2.2.</b> | <b>LEGAL SPECIALIST</b>                                                                                                                                                                                                                                                                                                                                                              | <b>(max points = 20)</b>                                                             |                             |
|             | 2.1.1. Qualification<br>Bachelor's Degree or above in Legal field (i.e., LLB, B. Proc) and valid registration with a professional body                                                                                                                                                                                                                                               | Bachelor's Degree and a valid registration with Professional Body = <b>10 Points</b> |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | Non-submission = <b>0 Points</b>                                                     |                             |
|             | 2.1.2 Experience<br>Experience in the legal field, with focus on project finance, corporate finance, development finance or similar specialization where the legal specialist provided LEGAL ADVISORY services in the infrastructure sector or built environment, to investors or financiers, government, construction                                                               | 10 years' experience or above = <b>10 Points</b>                                     |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | 5 to 9 years' experience = <b>5 Points</b>                                           |                             |
|             |                                                                                                                                                                                                                                                                                                                                                                                      | Less than 5 years' experience = <b>0 Points</b>                                      |                             |

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                             |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
|                     | companies, commercial banks, development finance institutions and other investors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                             |
| <b>3.</b>           | <b>PROJECT COMPREHENSION, APPROACH, AND METHODOLOGY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Maximum of 30 Points</b> |
| 3.1.                | <p>COMPREHENSION, APPROACH AND METHODOLOGY:</p> <p>The Proposal must:</p> <ul style="list-style-type: none"> <li>- Demonstrates a detailed proposal through inter alia: <ul style="list-style-type: none"> <li>• A work plan for the execution of the scope.</li> <li>• A project management approach.</li> <li>• A clear and well-defined schedule and timeframes.</li> <li>• A team organogram detailing the experience and roles of key personnel and supporting team.</li> </ul> </li> <li>- Provides a detailed understanding of the assignment.</li> <li>- Shows clear analysis of key challenges and risks associated with the assignment and provides proposal to address each of these.</li> <li>- Offers concrete suggestions regarding the proposed methodology and approach (not duplicating the terms of reference and where necessary, provides suggested amendments, additions, or improvements to the proposed scope)</li> </ul> | <p>Addresses all requirements, demonstrates a sound understanding of assignment, associated risks and included value add innovations or improvements on the scope = <b>30 Points</b></p> <p>Addresses all requirements, demonstrates a sound understanding of assignment, associated risks, however, did not include value add innovations or improvements on the scope = <b>20 Points</b></p> <p>Addresses most areas of the requirements but is generic and does not convey an understanding of assignment and associated risks = <b>15 Points</b></p> <p>Partially addresses requirements, but overall is not convincing (i.e., scope is not fully addressed, or schedule and timeframes are not reasonable) = <b>10 Points</b></p> <p>Does not address the requirement and is not detailed, or does not have well-considered details = <b>0 Points</b></p> |                             |
| <b>TOTAL POINTS</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>100</b>                  |

## **8. CANCELLATION**

- 8.1. NWHC reserves the right to cancel the contract if the service provider fails to adhere to the conditions of the contract.
- 8.2. On termination of the contract for whatever reason, the service provider shall on demand deliver, without the right to retention all documents and information (soft and hard copies) gained of this agreement.

## **Annexure A**

### **GOVERNMENT PROCUREMENT**

### **GENERAL CONDITIONS OF CONTRACT**

#### **NOTES**

The purpose of this document is to:

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

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

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

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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.

- |                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2. Application</b>                                            | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>3. General</b>                                                | <p>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.</p> <p>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 <a href="http://www.treasury.gov.za">www.treasury.gov.za</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>4. Standards</b>                                              | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>5. Use of contract documents and information; inspection.</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| <b>6. Patent rights</b>                                          | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>7. Performance security</b>                                   | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

- 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.

- |                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>16. Payment</b>                              | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>17. Prices</b>                               | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>18. Contract amendments</b>                  | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>19. Assignment</b>                           | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>20. Subcontracts</b>                         | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>21. Delays in the supplier's performance</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |

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.                                                                  |
| <b>29. Governing language</b>                                | 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.                                                                                                                                                       |
| <b>30. Applicable law</b>                                    | 30.1 | The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.                                                                                                                                                                                                                          |
| <b>31. Notices</b>                                           | 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.                                                                                                                                                           |
| <b>32. Taxes and duties</b>                                  | 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.                                      |
| <b>33. National Industrial Participation Programme (NIP)</b> | 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.                                                                                                                                                                                  |