



on the Go for Growth

RE ADVERT

BID NUMBER: WDM/2023/24-09

**BID: DEVELOPMENT OF ELECTRONIC DOCUMENT AND RECORD MANAGEMENT
SYSTEM**

(EDRMS) AND WORKFLOWS OF AN ELECTRONIC MANAGEMENT SYSTEM

ADVERT DATE: 02 AUGUST 2024

CLOSING DATE: 02 SEPTEMBER 2024 @ 11H00 AM

NAME OF TENDERER: _____

CONTACT PERSON: _____

TENDERED AMOUNT: _____

TENDERED AMOUNTS IN WORDS: _____

CELL NUMBER: _____

FAX NUMBER: _____

OFFICE NUMBER: _____

EMAIL ADDRESS: _____

POSTAL ADDRESS: _____

PHYSICAL ADDRESS: _____

A. INTRODUCTION

1. Invitation to submit proposals:

Waterberg District Municipality (WDM) invites service providers to submit proposals for the **Development of electronic document and record management system and workflows of an electronic management system for Waterberg District and its five (5) constituent Local Municipalities for a period of three years** as described in the Specification document. Proposals received will be the basis for the contract negotiations and ultimately appointment of a suitable service provider. It is therefore important that Bidders familiarise themselves with the municipality's processes and WDM supply chain management policy and to take them into account in preparing their proposal.

2. Bidders must note that the costs of preparing the proposal and of negotiating the contract are not reimbursable and Waterberg District Municipality is not bound to accept any of the proposals submitted.
3. At any time before submission of the proposals, Waterberg District Municipality may, for any reason, whether at its own initiative or in response to a clarification requested by an invited firm, modify these Specifications by amendments. Waterberg District Municipality may at its discretion extend the deadline for the submission of proposals.

B. FINANCIAL PROPOSAL

In preparing the financial proposal, a service providers is expected to take into account the requirements and the conditions of these Specifications. The financial proposal should list all costs associated with the project and relevant taxes. The proposal must be fixed cost and remain valid for **90 days** after the closing date of the tender submissions. The rate of exchange of this bid is not subject to any foreign currency and the price must be firm.

C. NEGOTIATIONS

Negotiations to reach agreement on all points and sign a contract will be held at a time and place to be determined by the Waterberg District Municipality. Negotiations will include a discussion of the technical proposal, the proposed work plan and any suggestions made by the appointed service provider to improve the Terms of Reference. The agreed work plan, service level agreement and final Terms of Reference will then be incorporated into the "Description of Services" and form part of the contract.

WDM reserves the right to increase or reduce the scope of work depending on the availability of financial resources.

D. SUBMISSION, RECEIPTING AND OPENING OF TENDER PROPOSAL

The proposal tender document shall be placed in a sealed envelope clearly marked "project name, project number and the closing date". The envelope shall be deposited in the tender box at the municipality's offices situated at:

HARRY GWALA STREET, MODIMOLLE

Note that any proposal received after the closing date and time for submission, will not be considered.

Enquiries regarding the bid may be directed to:

Technical Enquiries regarding the bid may be directed to:

Ms. Shibe Mashao

smashao@waterberg.gov.za

Telephone Number: 014 718 3373

AND

Administrative Enquiries to Supply Chain Unit: - Mr George Matlou

Telephone number:-014 718 3352

gmatlou@waterberg.gov.za

The proposal will be opened immediately after the closing time for submission. No bid outside the box will be accepted. At the proposal opening all service providers proposal will be read aloud and the proposal amount shall be made public and recorded.

Waterberg District Municipality will take ownership of the outcomes and deliverables, thereby reserving the right to reproduce information from, copy and / or distribute such outcomes and deliverables without the prior consent of and / or reference to the service provider.

WATERBERG DISTRICT MUNICIPALITY

TERMS OF REFERENCE FOR THE DEVELOPMENT OF ELECTRONIC DOCUMENT AND RECORD MANAGEMENT SYSTEM

It is the intention of the Waterberg District Municipality to enter into a service agreement with an appointed service provider that will carry out the services described hereunder. These Terms of Reference and the service provider's proposal will form the basis of the contract.

SECTION 1: DETAILS

Province	Limpopo
Municipality	Waterberg District Municipality
Project Name	Development of electronic document and records management system for Waterberg District and its five (5) Local Municipalities for a period of three years.,

SECTION 2: SUMMARY OF BRIEF

Proposals are requested from service providers who have the necessary stature, extensive experience and qualifications for the provision/ implementation of a Development and workflow of electronic document and committee management system for the Waterberg District Municipality.

SECTION 3: PROJECT DESCRIPTION

INTRODUCTION / BACKGROUND

WDM requires an experienced service provider that will be able to develop an Electronic Document and Records Management System (EDRMS) that will be able to accommodate metadata and workflows for WDM and its 5 local Municipalities for a period of 36 months.

Within the context of climate change mitigation and adaptation strategies Government is expected to contribute towards green development. To this end Waterberg District Municipality together with its (5) Local Municipalities are looking at leveraging technology to harness and standardize their Governance process and controls through Electronic Document/Record & Committee Management Systems. Introduction of these systems is envisaged to have multipronged benefits of improved efficiency, effectiveness and paperless work environment thereby contributing towards decreased carbon footprint therein.

PURPOSE / OBJECTIVES OF THE PROJECT

The purpose of this project is to appoint a suitable service provider who will provide an Electronic Document and Records Management System (EDRMS) for WDM and its local Municipalities within a period of 36 months and provide a roll out plan that complies with the National Archives and Records Services Act (Act 43 of 1996) to the entire Waterberg District Municipalities.

The successful bidder must ensure that the expansion of the solution will comply with the following Legislation:

- The National Archives and Records Services (NARS) Act of 1996;
- The Limpopo Archives Act of 2000;
- The Public Finance Management Act (PFMA) of 1999;
- The Promotion of Access to Information Act (PAIA) of 2000;
- The Promotion of Administrative Justice Act (PAJA) of 2000;
- The Electronic Communications and Transactions (ECT) Act of 2000; and Any other applicable legislation

The Solution must show the functionality as required in SANS (ISO) 16175-2:2014 or the European Commission's Model Requirements for the Management of Electronic Records (MoReq2010) or the Design Criteria Standard for Electronic Records Management Software Applications (US DoD 5015.2). Service provider must ensure that an electronic records management application has the generic records management functionality required by the National Archives and Records Service.

SCOPE OF WORK

- 1.1 A comprehensive Document Management Solution (DMS) for the District Office including five local municipalities:
 1. Thabazimbi Local Municipality;
 2. Lephalale Local Municipality;
 3. Modimolle–Mookgophong Local Municipality;
 4. Bela-Bela Local Municipality and
 5. Mogalakwena Local Municipality
- 1.1.1 This solution must inter-alia be able to handle high volume scanning, document collaboration, searching, indexing and tracking, document conversion, optic character recognition (ORC), search within documents for any tags, and provide link between documents. It must also be able to identify and combine similar or related files that might be located at different units or repositories.

- 1.1.2 The solution must allow for multiple signatories on document and process flows. Digital signature system to have embedded security for access, storage and preservation of user privacy.
- 1.1.3 Such a solution must be secure and be in line with the National Archive and Records Services of South Africa Act 43 of 1996.
- 1.1.4 The solution must be able to be accessible remotely through the Virtual Private Network (VPN).
- 1.1.5 Users must be able to extract fixed and customizable reports on document tracking, including origins, access, modifications, send and receipt of documents. Access to such a solution must be role permissions driven.
- 1.1.6 Automate existing business workflow of documents

1.2 Requirements for bidders to design, implement, test, deploy, connect, train and maintain a Document Management Solution (DMS).

- The solution must be accessible via a secure portal and have the functionality to assign different
- user roles according to their profiles
- Users must have unique username and passwords
- The solution must integrate with the Microsoft Active Directory (AD) 2016, single sign-on
- The solution must provide for an audit trail that enables administrators to view the system access history of all users.
- The solution must be highly available with capability for efficient disaster recovery.

1.3 ARCHIVAL OF ELECTRONIC DOCUMENTS

- 1.3.1 The solution shall support categorization of documents in folders-subfolders similar to the windows interface hierarchy. There should not be any limit on the number of folders and levels of sub folders.
- 1.3.2 The solution shall provide a facility to link cross-related documents.
- 1.3.3 The solution shall provide a search facility into the same interface, so that users are able to search the documents to be linked
- 1.3.4 The solution shall support metadata and versioning of documents with facility to write version comments.
- 1.3.5 The solution shall allow locking of documents for editing and importing it back into the
- 1.3.6 solution through check-in/check-out features.
- 1.3.7 Repositories should be format agnostic.
- 1.3.8 Solution should support configuration of verification processes for different business types.
- 1.3.9 It should be able to handle multi-user environment for processing files related to different business types. While processing a file, all the data and images for each transaction should be displayed to processing users and processing users should be allowed to accept, reject or send the files for review.

1.4 DOCUMENT REVIEW

- 1.4.1 The solution shall support an applet for viewing of various type of images / documents.
- 1.4.2 The solution shall facilitate zoom-in/zoom-out, zoom percentage and zoom lens to zoom in on a part of image and other image operations like Invert, rotate etc.
- 1.4.3 Support archival & view of PDF/A format documents (open ISO standard for long term archival of documents).
- 1.4.4 Document view shall have the provision to draw a line or rectangle, highlight or hide text, insert arrows, etc. over image document.
- 1.4.5 The solution should support viewing and rendering of PDF/A documents in inbuilt viewer.
- 1.4.6 The solution shall support the viewing of documents in native application.
- 1.4.7 The solution shall provide facility of putting text, graphic and image annotations on scanned document pages.
- 1.4.8 The solution should have a mobile application for retrieval and archiving of documents.
- 1.4.9 The solution shall provide the ability to function offline when using the mobile application.
- 1.4.10 The solution shall provide a fully responsive web environment for accessing and viewing documents.

1.5 ANNOTATIONS

- 1.5.1 The image applet shall support comprehensive annotation features like highlighting, marking text, underlining, apply sticky notes, support for text and image stamps, etc.
- 1.5.2 The solution shall support automatic stamping of annotations with username, date and time of putting annotations.
- 1.5.3 The solution shall provide a facility for securing annotations for selective users.
- 1.5.4 The solution shall store annotations as separate file and at no time, the original image shall be changed. The solution shall provide a facility of taking print outs with or without annotations.

1.6 INDEXING

- 1.6.1 The solution shall provide a facility to index folders, files, and documents on user-defined indexes like department, file number, year, etc.
- 1.6.2 The solution shall facilitate automatic indexing (OCR) and manual indexing.
- 1.6.3 The solution shall support automatic full text indexing for text search.

1.7 SEARCH AND RETRIEVAL

- 1.7.1 The solution shall provide an extensive search facility to retrieve documents or folders/files.
- 1.7.2 The solution shall support saving of search queries and search results.
- 1.7.3 The solution shall support advanced search functions for documents or folders, on document or folder, on profile information such as name, created, modified or accessed times, keywords, owner, etc.

1.8 SECURITY & USER MANAGEMENT

- 1.8.1 The Document Management Solution (DMS) shall support definition of users, groups and roles relation in the system.
- 1.8.2 The solution shall support access permissions on folders, documents and object levels.
- 1.8.3 The solution shall support multiple levels of access rights (Delete/ Edit/ View/ Print/ Copy or Download).
- 1.8.4 The solution shall support for application-based rights.
- 1.8.5 The solution shall support system privileges like Create/Delete Users, Define indexes, etc.
- 1.8.6 The solution shall support secure login id and passwords for each user and passwords shall be stored in an encrypted format.
- 1.8.7 The solution shall have a facility to define password policy in line with the designated Municipality password policy requirements.
- 1.8.8 The solution shall provide lightweight directory access protocol (LDAP) support for integration with directory services and shall support single sign on.
- 1.8.9 The solution shall support extensive audit-trails on document, folder and higher levels for each action done by a particular user with username, date and time.
- 1.8.10 The solution shall support integration with database-based authentication.
- 1.8.11 The solution shall support integration with private key infrastructure (PKI) as well as a biometric solution for enhanced security.

1.9 ADMINISTRATION

- 1.9.1 The solution shall support web-based administration module for the complete management of the system.
- 1.9.2 The administration module shall support users/groups/role definition and granting access rights to them and set password policies.
- 1.9.3 The administration module shall provide an easy to use interface for index structure definition that can be used by different users.
- 1.9.4 The administration module shall provide an interface for purging old audit trail and do selective logging i.e. select the system or application features for which the audit trails have to be generated.
- 1.9.5 The administration module shall provide a facility to take complete and incremental backups and shall be able to integrate with third party backup solutions.

1.10 REPORTS AND AUDIT TRAILS FEATURES

- 1.10.1 The solution shall support extensive reports and audit trails and shall also provide data points and facility to design new reports.
- 1.10.2 The solution shall support extensive audit-trails at user, folder and cabinet levels.
- 1.10.3 The solution shall provide a facility to generate audit trails on separate actions, and between specific date and time.
- 1.10.4 The solution shall support extensive reporting facility on document, folder and user level.
- 1.10.5 The solution shall have an audit trail to maintain history of all transactions performed on the system.

- 1.10.6 The solution shall give flexibility to administrator(s) to do selective logging i.e. suspend and resume audit trail generation for specific system and user activities.
- 1.10.7 The solution shall log all actions by individual users with username, date and time; and the administrator shall be able to generate detailed audit logs and history.

1.11 REMINDERS AND ALARMS

- 1.11.1 The solution should have the capability to set automatic reminders and alarms.

1.12 INTEGRATION AND WEB SERVICES

- 1.12.1 The solution should be based on open standards and have an application programming interface (API) support for data import & export.
- 1.12.2 The solution shall support integration based on standards such as extensible markup language (XML).
- 1.12.3 The solution shall support message-based collaboration based on protocols such as hypertext transfer protocol (HTTP), file transfer protocol (FTP) and simple mail transfer protocol (SMTP).
- 1.12.4 The solution shall support integration with email servers.
- 1.12.5 The solution shall provide fully functional APIs for integration.
- 1.12.6 The solution shall support Web based interfaces.

1.13 GENERAL COMPLIANCE

- 1.13.1 The solution shall facilitate re-engineering of processes and act as a platform for building a specific application and have a workflow engine to support different types of document routing mechanism including:
 - **Sequential routing:** Tasks are to be performed one after the other in a sequence.
 - **Parallel routing:** Tasks can be performed in parallel by splitting the tasks among multiple users and then merging as single composite work item. The solution shall support conditional merging of multiple parallel activities i.e. response from mandatory parallel work stages before it can be forwarded to the next stage.
 - **Rule based routing:** One or another task is to be performed, depending on predefined rules.
 - **Ad-hoc routing:** Changing the routing sequence by authorized personnel.

1.14 GRAPHICAL ROUTE DESIGNER

- 1.14.1 The workflow management solution should support an inbuilt graphical workflow designer for modelling complex business processes using drag and drop facilities.
- 1.14.2 The process designer should provide an intuitive interface for the designing of complex rules and conditions for workflow routing.
- 1.14.3 The interface shall be easy to use so that process owners can change the business process as and when required without any programming knowledge.
- 1.14.4 The solution enables process designers to design multiple sub-processes. This includes mapping of the existing process instance to the newly created process instance as per mapping defined in the route.

- 1.14.5 The workflow management solution development environment provides easy navigation to choose sub-processes as required to be invoked from within a process.
- 1.14.6 Facility to copy and paste work stages along with all its properties.
- 1.14.7 Facility to define documents viewed and to be attached at individual stages.
- 1.14.8 The process designer shall support multiple introduction stages for introducing different document types from different acquisition sources.
- 1.14.9 The solution shall provide a facility to define hold stages so that a particular instance or the workflow can be kept on hold for specified intervals on the basis of pre-defined condition. The solution shall also provide a facility to define conditions for resuming the instance from hold stage.
- 1.14.10 The solution shall allow process designers to design properties for each work stage like default document view, form view, exception view, etc.
- 1.14.11 The solution shall allow users to define entry-level settings like increase of priority or sending an email trigger on the basis of pre-defined conditions or setting up particular variables or properties, etc.
- 1.14.12 Support for creating ad-hoc tasks at runtime and assigning to users.

1.15 INBUILT FORM DESIGNER

- 1.15.1 The solution shall provide inbuilt facility to design custom forms that can be attached at one or more stages of workflow.
- 1.15.2 The form designer interface shall support facility to define text boxes, combo boxes, radio buttons, drop down, etc.
- 1.15.3 The solution shall provide facility to define variables in the process or in external database tables, which can be linked to fields defined in the form for efficient data entry.
- 1.15.4 Field level validations in place.

1.16 INBUILT TRIGGERS

- 1.16.1 The solution shall provide a facility to define custom triggers like emails, word templates or launching executables on predefined conditions.
- 1.16.2 The solution shall provide a facility to define custom templates for the triggers with static and dynamic data.
- 1.16.3 The solution shall provide a facility to generate event-based triggers for automatically sending mails, generating responses, invoking data form for data entry and communication from external systems.

1.17 PROCESS MONITORING AND REPORTING

- 1.17.1 The workflow management solution shall be able to keep track of the work item status, the date/time jobs are started and ended, the creation and archival date of the documents.
- 1.17.2 The solution shall provide a facility to configure dashboard for individuals.
- 1.17.3 No customization should be required to create a dashboard, users should be able to configure a dashboard without any coding.
- 1.17.4 There should not be any limit on the number of reports that can be created.

1.17.5 The user shall be able to drill down in a report for specific information analysis.

1.17.1 THE WORKFLOW MANAGEMENT SYSTEM SHALL SUPPORT THE GENERATION OF STATISTICAL AND MANAGEMENT REPORTS SUCH AS BUT NOT LIMITED TO:

- 1.17.1.1 Number of pending files
 - 1.17.1.2 Time taken to complete each task
 - 1.17.1.3 Process history report
 - 1.17.1.4 User performance report
 - 1.17.1.5 Average process time report
 - 1.17.1.6 User processing time report
 - 1.17.1.7 Process definition summary report
 - 1.17.1.8 Exception details report
 - 1.17.1.9 Expired work item report
 - 1.17.1.10 Diversion report
- 1.17.2 The workflow management solution shall support users drill down from a higher-level view of business processes to lower-level details.
- 1.17.3 The workflow management solution shall support statistical reports like total turnaround time and delay report for complete process or specific work stages.
- 1.17.4 The workflow management solution shall support definition of new customized reports based on exposed data points.
- 1.17.5 The workflow management solution shall provide a dashboard interface for online reporting of various processes. The interface shall give a flexibility to toggle between graphical and tabular view and tile different windows in the same interface.
- 1.17.6 The solution shall support the opening embedded content view in the workspace on clicking of custom link.
- 1.17.7 The solution shall provide tiles-based dashboard view output list with business variables when a worklist is loaded through tiles/charts.
- 1.17.8 The solution should include an administration module to configure the user, groups and queue related to a process.
- 1.17.9 The solution should allow user to set their display settings according to the individual preferences and company policies.
- 1.17.10 Users can customize their themes, resize components, and configure single /multi-column views.
- 1.17.11 The solution should have a navigation container to display a list of all component instances associated with the view of a user.

1.18 MASTER DATA MANAGEMENT (MDM)

- 1.18.1 Defining primary key: foreign key relationship between tables.
- 1.18.2 MDM: Classifying tables as portal tables.

1.19 END USER AND TECHNICAL TRAINING

- 1.19.1 The bidder is expected to transfer skill through training, mentoring, providing guidance or other agreed methods on the implementation and maintenance of the solution.
- 1.19.2 The bidder is expected to provide training of enterprise solution to 6 system technical administrators and 50 super users.

1.20 HARDWARE AND SOFTWARE REQUIREMENTS

- 1.20.1 The service provider should provide the hosting server with the relevant hardware and software requirements for the solution.

1.21 MAINTENANCE AND SUPPORT

- 1.21.1 Three (3) year solution maintenance and support.

SECTION 4: PROJECT OUTCOMES/ OUTPUTS/ DELIVERABLES

- a) The service provider should provide the services to design, supply, Install, Train and Maintenance of the above service request.
- b) Provide Training on how to use the system
- c) Provide manuals of operating the system for referential
- d) Ongoing Support and Maintenance of the system for the duration of 36 Months

SECTION 5: PROJECT PLAN/IMPLEMENTATION SCHEDULE

The project timeframe will be 36 months from the date of appointment of the service provider.

The project proposal must contain the following:

- Clear project methodology and planning process to be followed,
- Comprehensive company profile and contact person to be responsible for the project.
- Name, qualifications, and experience of all professionals that will be part of the project and further indicate if some consortium or joint ventures will be formed.
- Clear timeframe for completion of the project.
- Clear project budget aligned to the tasks or activities.
- Tenders are required to provide evidence that they have successfully and timeously completed
- The assignment will commence of signing of the Service Level Agreement (SLA) between the WDM and the Successful bidder/ service provider; and

The district may wish to adjust the precise scope and timeframes of this project subject to compliance with SCM and audit processes and the inception date of the project.

SECTION 6: PROJECT COSTS / PRICING SCHEDULE AND PAYMENT MILESTONE

Service providers are expected to provide an estimate of disbursements in their proposal and indicate payment at specific milestones successfully completed. The project cost must be inclusive of all chargeable costs to the municipality. The municipality will not pay any amount outside the projected/quoted amount.

The successful Bidders will be remunerated in accordance with agreed- upon milestones being achieved, within 30 days after presentation of an approved invoice.

The proposal must be fixed cost and remain valid for **90 days** after the closing date of the tender submissions. The rate of exchange of this bid is not subject to any foreign currency and the price must be firm.

SECTION 7: SKILLS ,EXPERTISE AND QUALIFICATION REQUIREMENTS

The successful service provider's project team members must have the relevant experience for the project.

1. Key project team members should have experience in records management
2. The project team members must have skills and expertise

NB: At least one comprehensive CV of team leader/project manager or team member with certified copies of the stated qualifications must be attached. Failure to submit CV with certified qualifications will result in key staff functionality points not being allocated

SECTION 8: DELIVERY TIMEFRAME

The project is expected to be completed within **36 months** from the date of signing of the service level agreement. The Successful Bidders will be required to commence with the assignment immediately upon appointment and must supply the municipality with a detailed revised work schedule with time frames.

SECTION 9: REPORTING

The Successful Bidders must submit monthly reports on a quarterly basis to WDM on progress made.

SECTION 10: PROJECT TEAM

Two CVs of the project team must be included in the proposal. Project team must be available for the whole implementation of the project and in case of resignation of the member, the service provider must inform the municipality in writing. The resigned member must be replaced by a team member of the same qualifications and experience. The CV's must include years of experience in related projects, including project names and contactable reference list.

SECTION 11:- EVALUATION CRITERIA

Proposal will be evaluated as follows:

A. Mandatory requirements

Bids will be evaluated on mandatory requirements as stated below.

A MANDATORY REQUIREMENTS

- Tender proposal will be evaluated on 80/20 preferential points system;
- Price(s) quoted must be firm and inclusive of VAT (if VAT registered)
- Detailed price schedule as per the full scope of work (compliance to specification)
- Price(s) quoted must be valid for at least ninety(90) days from the closing date of the tender;
- Pricing schedule must be correctly quantified and calculated. Miscalculations will result in a disqualification;
- Municipal accounts for the physical address of the business and residential addresses of each of its directors must be attached. The municipal accounts submitted may not be older than 2 months from the closing date of tender.
 - If the proof submitted is not in the name of the company or director, written explanations and evidence must be attached indicating how the proof submitted relates to the said business or director;
 - In cases where the address of the business or director is not through ownership but through a lease agreement, a copy of municipal account for the owner of the building must be attached as well as a copy of the lease agreement with the said business or director;
 - This should provide clear evidence that the municipal accounts of the business' address and the residential addresses of every individual director are not in arrears for more than 90 days;
- Copy Valid Tax Compliance Status Pin –if the recommended bidder is not tax compliant, the bidder will be notified of their non-compliant status and the bidder will be requested to submit to the municipality, within 7 working days proof of tax compliant status.

The proof of tax compliance status submitted by the bidder to the municipality will be verified via the CSD or e-Filing.
- Exclusion of other items will cause a disqualification, all quotes must be prepared according to the scope of work;

- No pricing options will be allowed, only one pricing schedule must be submitted by the tendering service provider;
- Form must be signed in black ink (no pencil is allowed or other colour);
- All MBD Forms must be completed and signed in black ink;
- In case of a Joint Venture, Association or Consortium a formal contract agreement must be signed by both parties and be attached; and all required documents for both companies must be attached.
- Any alterations on the proposals or the tender document must be initialed.
- Copy of Central Supplier Database registration report must be attached.
- Service provider to submit their audited financial statements for the past three years or since their establishment if established during the past three years (If required by law)
- Initial each page of National Treasury General Conditions of Contract.

NB: Failure to submit the abovementioned documents will result in the tender submitted not being considered for further evaluation

Bids that met the mandatory requirements will be evaluated on functionality.

Functionality Assessment

FUNCTIONAL AREAS (100)	SCORE
Company Experience	50
Key Staff Qualifications	50
Total	100

COMPANY EXPERIENCE

COMPANY EXPERIENCE (Development of electronic document and records management system) (50)	POINTS
Completed 5 or more projects	50
Completed 4 projects	40
Completed 3 projects	30
Completed 2 projects	20
Less than 2 projects	0

NB! It is **compulsory** that service providers attach proof of similar project executed from institutions e.g **Appointment letter/ Official purchase order / letter from the institution indicating that the work was indeed executed successfully.**

KEY STAFF QUALIFICATIONS

Key Staff Qualification(BSc/BTech in IT) (50)	Score
NQF level 8 and above	50
NQF level 7	40
NQF level 6	30
NQF level 5	20
NQF level 4	10

NB: At least one comprehensive CV of team leader/project manager or team member with certified copies of the stated qualifications must be attached. Failure to submit CV with certified qualifications will result in key staff functionality points not being allocated

N.B! The minimum cut-off points for functionality is 70 points out of 100 points and any bidder scoring less than 70 points will not be considered for further evaluation.

Service Providers that qualified pre-evaluation in terms of the functionality cut-off points of 70 points will then be evaluated in terms of price with 80 points. (Note points for functionality and price will not be combined).

COMPANY EXPERIENCE

EXPERIENCE OR REFERENCE LIST OF SIMILAR WORK SUCCESSFULLY COMPLETED

INSTITUTION NAME	PROJECT NAME /DESCRIPTION	VALUE OF PROJECT	PROJECT START & COMPLETION DATE	CONTACT PERSON & NUMBER	SUPPORTING DOCUMENT (appointment letter/order/etc)

Note:-Complete the table above on company experience (compulsory table). Attachment will not serve as a substitute for completing the table, but may be submitted additionally.

NB! It is **compulsory** that service providers attach proof of similar project executed from institutions e.g **Appointment letter/ Official purchase order / letter from the institution indicating that the work was indeed executed successfully.**

The Municipality has the right to score the service providers zero if the evidence is not attached / the referees indicated above are not traceable and they are unable to submit or recall the project as indicated above. It is the responsibility of the service provider to ensure that the contact person and number given for the project executed are still available for verification.

Evaluation on 80/20 preferential point system

Service Providers that met the minimum functionality points will then be evaluated in terms of 80/20 preferential point system as follows:

Price Assessment	80
Specific goals	20
TOTAL	100

The formulae to be utilized in calculating points scored for price are as follows:

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

Where

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

P_t = Comparative price of bid or offer under consideration

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

Specific goals will be allocated as follows:

Historically Disadvantaged Individuals - HDI	80/20 Preferential Point System	Means of Verification
	20	
Race – people who are Black, Coloured or Indian	10	CSD report and Copy of Identification Documentation
Gender – Women	3	CSD report and Copy of Identification Documentation
Youth	4	CSD report and Copy of Identification Documentation
Disability	3	Certified copy of Doctor's Certificate with medical practice number

NB! Suppliers are required to submit the documents listed in means of verification as per above table for points allocation during 80/20 preferential point system evaluation.

Points will not be allocated on specific goals without supporting documents as listed in means of verification column above.

The specific goals allocated points will be apportioned in line with percentage on ownership of the company.

A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.

The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points. If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.

If two or more bids have equal points, including equal specific goals, the successful bid must be the one scoring the highest score for functionality.

If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots by the bid evaluation committee.

NB! The service provider scoring the highest number of points on price and specific goals will be appointed.

SELECTION CRITERIA

The following criteria in conjunction with accepted procurement criteria will be applied during the evaluation of the proposals to the Waterberg Municipality:

- A demonstrated understanding of the requirements of the brief;
- The strength of the company's ability to complete the job successfully.
- The strength of the creative material in meeting the objectives;
- Relevant and related experience of the team of people who will work on the project;
- The ability to deliver within the time frame set;

SERVICE LEVEL AGREEMENT

Once your Company has been selected, you will need to sign a contract which outlines the agreed duties of each party, as well as the required deliverables, remuneration, mutual delegations and terms and conditions of the appointment. The contract will be for the duration of the project including the liability period. The following considerations should be noted when contractual negotiations begin:

- Intellectual property
- Privacy of information
- Terms and conditions

REQUIRED BIDDER PROFILE:

A company profile should be submitted, while interested parties should also indicate in their proposals their expertise and capacity to undertake the project in question. Previous experience reference list with recent contacts telephone numbers must be attached.

PAYMENT:

Payment will be done against a fixed term contract according to Supply Chain Policy of Waterberg District Municipality, which must be inclusive of travelling and accommodation. All payments shall be made on the presentation of quality controlled; accepted, agreed deliverables and as per quotation. No variable cost not

quantified will be allowed, all cost must be quantified unless the tender is of nature that cannot be quantified and it is stated as such in the financial proposal.

REFERENCES:

The proposal should include a client reference list with contact details and a brief description of projects successfully completed with clear indication of project awarded amounts, time frame and description of the relevant project. .

BID PROPOSAL:

The submission of bid proposals will close on as per the advert.

Note that all bid proposals are to be deposited into the bid box at Waterberg District Municipality, Harry Gwala Street, Modimolle, 0510.

No fax or email will be considered for the submission of the proposals.

ENQUIRIES:

General Enquiries regarding this request for proposals should be directed either by Telephone, or preferable/ advisable by E-mail to Mr. G Matlou or Senior SCM Admin available in Supply Chain Management Unit and contacts are as follows:

- E-mail address: gmatlou@waterberg.gov.za
- Tel. Number: (014) 718-3300/52

N.B! Enquiries must be **forwarded in writing through e-mail address** above. No enquiries will be attended to **5 days before closing of the tender**.

The shortlisted companies and the directors or shareholders will be subjected to clearance or verification tests that the institution might deem necessary. Also note that the reference list attached might be contacted for verification process on the municipality's discretion.

RECOMMENDED:-

ALL INTERESTED SERVICE PROVIDERS ARE ADVISED TO **NUMBER** THEIR PROPOSALS NEATLY, ATTACH ALL NECESSARY DOCUMENTS, INCLUDE A **CONTENT PAGE** OF THE PROPOSAL AND **BIND** THEM INCLUDING THE MUNICIPALITY TENDER DOCUMENT.

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:	WDM/202425-09	CLOSING DATE:	02 SEPTEMBER 2024	CLOSING TIME:	11H00AM
DESCRIPTION	RE ADVERT-DEVELOPMENT OF ELECTRONIC DOCUMENT AND RECORD MANAGEMENT SYSTEM				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

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

HARRY GWALA STREET

WATERBERG DISTRICT MUNICIPALITY

MODIMOLLE

0510

SUPPLIER INFORMATION

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
TAX COMPLIANCE STATUS	TCS PIN:	OR	CSD No:
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

TECHNICAL INFORMATION MAY BE DIRECTED TO:

DEPARTMENT	BUDGET AND TREASURY	CONTACT PERSON	SHIBE MASHAO
CONTACT PERSON	GEORGE MATLOU	TELEPHONE NUMBER	014 718 3373
TELEPHONE NUMBER	014 718 3352	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	smashao@waterberg.gov.za
E-MAIL ADDRESS	gmatlou@waterberg.gov.za		

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILEING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- | | |
|--|---|
| 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | ☐ YES ☐ NO |
| 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? | ☐ YES ☐ NO |
| 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | ☐ YES ☒ NO |
| 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | ☐ YES ☐ NO |
| 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | ☐ YES ☒ NO |

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

DECLARATION OF INTEREST

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

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.

.....

.....

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

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars

.....
.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state? YES / NO

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO

3.14.1 If yes, furnish particulars:

.....
.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)

For all procurement expected to exceed R10 million (VAT included), bidders must complete the following questionnaire:

1 Are you by law required to prepare annual financial statements for auditing?

YES / NO

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....

.....

YES / NO

2 Do you have any outstanding undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days?

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....

.....

.....

.....

- 3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? **YES / NO**

3.1 If yes, furnish particulars

.....

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? **YES / NO**

If yes, furnish particulars

.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of Bidder

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 Preferential Point System

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

- 1.6 The municipality reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where the municipality intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the municipality must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Race – people who are Black, Coloured or Indian	10	
Gender - Women	3	
Youth	4	
Disability	3	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number.....

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

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

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	
DATE:	
ADDRESS:	
	
	
	

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax compliance status pin;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference points claim in terms of the preferential procurement regulations 2022;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number dated..... for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	PREFERENTIAL PROCUREMENT SPECIFIC GOALS ALLOCATED	
			Race – people who are Black, Coloured or Indian	30.00
			Gender - Women	
			Youth	
			Disability	

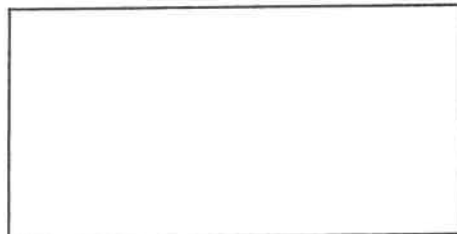
4. I confirm that I am duly authorised to sign this contract.

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP


WITNESSES

1.

2.

DATE:

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder
 JS367bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

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

3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

- a. take all reasonable steps to prevent such abuse;
- b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
- c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

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

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

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js9141W4

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract ,

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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| 29. Governing language | 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English. |
| 30. Applicable law | 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC. |
| 31. Notices | <p>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</p> <p>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.</p> |
| 32. Taxes and duties | <p>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.</p> <p>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.</p> <p>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.</p> |
| 33. National Industrial Participation Programme (NIP) | 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation. |
| 34 Prohibition of Restrictive practices | <p>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p> |

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

Js General Conditions of Contract (revised July 2010)