



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Ref: CSS 5/11/1
Enq: Mr. L. Mashile/Mr.T. Mkhari
Tel Number: (012) 309-3429/3011

Dear Sir / Madam

BID NUMBER: DOT/04/2020/CA

1. The Department of Transport requires the service as described per attached bid invitation and you are requested to complete the bidding documents and to submit it in accordance with the under mentioned stipulations:
 - The bid must be submitted in a sealed envelope with the name and address of the bidder with the number and closing date indicated on the envelope. The envelope must not contain documents relating to any bid other than that shown on the cover of the envelope;
 - Bids submitted per post must be sent per registered mail. The bid must still reach this office before the closing time. Couriered bid documents must be received before the closing date and time failure to do so may invalidate the bid;
 - The attached forms, if completed in detail and returned, will form part of your bid; and
 - Prices must be VAT inclusive and all other expenses/disbursements, and be valid for a period of at least **120 days** from closing date.
 - **Bidders must submit one (1) original hard copy of the Technical proposal inside an envelope marked "Technical proposal" and four PDF format CD's or USB's of the technical proposal, and one (1) Original hard copy of the financial proposal inside marked "Financial proposal" on the closing date. If Bidders are not sure of the two envelope separation submission requirements kindly contact the administrative contacts on SBD 3.3 to avoid being disqualified.**
 - **There will be a compulsory virtual Briefing Session:<https://meet.jit.si/Briefingsession11February2021from10h00>**
- 2 You are advised to acquaint yourself with the contents of the attached general conditions of contract and the checklist.
- 3 It will be expected of the successful bidder to sign a formal contract at this office within seven (7) days after receiving a letter of acceptance.

- 4 Kindly take note that this is a two envelope system (Technical and Financial) proposals must be marked and put in separate envelopes). Annexure A which will be for Technical proposal and Annexure B for Financial proposal. Bids that do not comply with a two envelope system will be disqualified.

Kind Regards

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the typed name.

for **DIRECTOR GENERAL: TRANSPORT**

DATE: 22/01/2021

CHECKLIST: DOT/04/2020/CA: APPOINTMENT OF A SERVICE PROVIDER TO ADVISE THE REGULATING COMMITTEE IN THE ISSUANCE OF PERMISSIONS TO LEVY AIRPORT AND AIR TRAFFIC SERVICE CHARGES FOR AIRPORTS COMPANY SOUTH AFRICA (ACSA) AND AIR TRAFFIC AND NAVIGATION SERVICES (ATNS) FOR THE PERIOD 2021/22-2025/26

NB	SERVICE PROVIDERS MUST INDICATE WITH A TICK	YES	NO
1	Did you take note that bids submitted per mail must be sent per registered mail and reach the Department in time to be deposited in the Tender Box before the closing date and time?		
2	Are you familiar with the contents of the SBD 1 Form? Did your authorised official complete and sign the SBD 1 Form?		
3	Is the SBD 4 Form completed and signed?		
4	Is the SBD 6.1 Form completed and signed? In bids where consortia /joint ventures sub-contractors are involved, both parties must submit one B-BBEE Status Level Verification Certificate.		
5	Is the SBD 8 Form completed and signed?		
6	Is the SBD 9 Form completed and signed?		
7	Have you taken note of the General Conditions of Contract and signed the bottom of each page thereof?		
8	Have you taken note of the Special Conditions of Contract and signed the bottom of each page thereof?		
9	Is your bid/proposal complete and responsive in all respects to the specifications/terms of reference?		
10	Please note that late bids will not be considered.		
11	CSD registration report is attached, and all companies forming a JV/Consortium/Subcontract submitted their CSD report?		

Declaration: I, the undersigned (Full Name).....
certify that I have noted the contents of the above-mentioned checklist and have complied with the stipulations contained therein.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

ANNEXURE A

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

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

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:
Name of state institution at which you or the person connected to the bidder is employed :
Position occupied in the state institution:

Any other particulars:
.....
.....
.....

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

.....

.....

.....

YES/NO

.....

.....

.....

YES/NO

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 104

3

[illegible]

4 DECLARATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

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

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 The value of this bid is estimated to **exceed/not exceed** 50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable.
- 1.3 Preference points for this bid shall be awarded for:
- (a) Price; and
 - (b) B-BBEE Status Level of Contribution.
- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard

contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (d) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (f) **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (g) **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- (h) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- (i) **“EME”** means an Exempted Micro Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (j) **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- (k) **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- (l) **“non-firm prices”** means all prices other than “firm” prices;
- (m) **“person”** includes a juristic person;
- (n) **“QSE”** means a Qualifying Small EEnterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (o) **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- (p) **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- (q) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- (r) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (s) **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

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

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 A bidder who qualifies as a EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.
- 5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating

issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1

- 7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or a sworn affidavit.

8. SUB-CONTRACTING

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

(Tick applicable box)

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

- 8.1.1 If yes, indicate:

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

(Tick applicable box)

YES	☐	NO	☐
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9. DECLARATION WITH REGARD TO COMPANY/FIRM

- 9.1 Name of company/firm:.....
- 9.2 VAT registration number:.....
- 9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
 One person business/sole propriety
 Close corporation
 Company
 (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

9.6 COMPANY CLASSIFICATION

Manufacturer
 Supplier
 Professional service provider
 Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.
.....

.....
SIGNATURE(S) OF

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <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 outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium⁹ 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.

⁹ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

**THE TERMS OF REFERENCE FOR THE APPOINTMENT OF A
SERVICE PROVIDER TO ADVISE THE REGULATING COMMITTEE IN
THE ISSUANCE OF PERMISSIONS TO LEVY AIRPORT AND AIR
TRAFFIC SERVICE CHARGES FOR AIRPORTS COMPANY SOUTH
AFRICA (ACSA) AND AIR TRAFFIC AND NAVIGATION SERVICES
(ATNS) FOR THE PERIOD 2021/22 – 2025/26**

Final version – 05 October 2020

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R.E.

INTRODUCTION

The Airports Company South Africa SOC Ltd (ACSA) and the Air Traffic and Navigation Services SOC Ltd (ATNS) (the companies) were established in terms of the Airports Company Act (Act No. 44 of 1993) and the Air Traffic and Navigation Services Company Act (Act No. 45 of 1993) respectively, to own and operate the infrastructure and provide services related to the previously state-owned airports and the air navigation services. Since both companies are natural monopolies, the Airports Company Act also provides for the establishment of a Regulating Committee ("the Committee") to prevent the companies from potentially abusing their monopoly positions. The Committee is therefore charged with protecting users from monopoly abuse through, for instance, unfair pricing for services while at the same time, ensuring the companies are able to finance their obligations and have reasonable prospects of earning commercial returns.

The mandate of the Committee is to, among others, determine the tariffs that the two entities (ACSA and ATNS) can levy any particular charge to the users of its services or infrastructure such as the airlines, and prescribe in respect of any activity relating to the service standards that will conform to internationally accepted and recommended practices. The two Acts set out the parameters of the Committee's duties and functions. The most significant regulating tool assigned to the Committee is the right and duty to issue Permissions to the companies to levy specified charges.

Each Company must be in possession of a valid Permission to levy charges to users. Such a Permission essentially does amongst other things the following:

- (a) It regulates the adjustment of specified tariffs; and
- (b) Lays down minimum service standard requirements.

In the case of ACSA, the regulated tariffs are called airport charges, which are amounts levied in respect of the landing fees, parking fees and passenger service charges. For ATNS, the regulated tariffs are called air traffic service charges, which are amounts levied in respect of aerodrome control services, approach control services, area control services, a flight information services, air traffic advisory services, alerting services. Furthermore, these charges are levied on aircraft operators or airports in connection with the use of any of the company's air navigation infrastructure or the provision of an air traffic services. The Committee may prescribe service standards as part of the conditions of the Permissions, which conform to internationally accepted and recommended practices.

1. PERMISSION DETERMINATION

A Permission spans over a period of five years, however during third year of the existing Permission (the Permission in force), companies have to apply for new Permissions, which then become valid at the end of the third year of a valid existing Permission.

The Permission contains a formula, which prevents the companies from increasing their tariffs above a specified level. The regulation is thus achieved by way of a combination of a price-cap and a return on capital employed (ROCE). The mechanism employed by the Committee to achieve this is the Consumer Price Index minus X (CPI-X) formula, which limits increases in a basket of revenue-weighted tariffs to the rate of inflation minus an efficiency factor. The Committee also determines an expected return for the companies using a Weighted Average Cost of Capital (WACC). The X factor is the balancing component. The Committee first calculates the X factor, which will result in a "balanced" model i.e. the operating profit after tax is equal to the allowed rate of return in each year. Should the Committee determine that there is much scope for the companies to improve the efficiency of their business, a higher X factor is set to encourage the companies to effectively employ their latent resources. This implies that the companies can realize an acceptable return (as required by the shareholder) only if they decrease their costs per unit of output by at least the rate of the X factor. Conversely, if there are fewer efficiency gains, a lower X factor will be set.

The process of setting a Permission is aimed at realizing a realistic value of the X factor which will provide a company with the necessary incentives, the shareholder with a fair return, and the clients with increased value for money.

2. SCOPE OF WORK

2.1. The scope of work is to:

- 2.1.1. Assess and Evaluate the companies' financial models by considering the requirements of the Approach Document;
- 2.1.2. Assess and Review the Regulatory Asset Base (RAB) of the companies by considering the requirements of the Approach Document;
- 2.1.3. Calculate / Estimate the appropriate commercial Rate of Return of the companies;
- 2.1.4. Evaluate Permission applications submitted by the companies;
- 2.1.5. Calculate the final tariff increases or decreases for the next permission period for the companies
- 2.1.6. Calculate the Correction Factors in respect of the year ending 31 March 2018/19, 2019/20, 2020/21 (i.e., three Correction Factors for each company);
- 2.1.7. Advise the Committee on the Permissions;

- 2.1.8. Deal with any other requirements that the Committee might have that would be pertinent to the issuance of the Permissions for the companies before and after the Permissions have been finalized and Gazetted by companies;
 - 2.1.9. Engage with the companies together with the Committee and the Aviation industry stakeholders during the entire consultation process as and when required by the Committee;
 - 2.1.10. Identify or highlight developments which may have an impact on the tariff determination; and
 - 2.1.11. Identify or highlight methods on how to improve efficiency without adversely impacting the tariff for the users.
3. It should be noted that the calculation of the Weighted Average Cost of Capital (WACC) and the Return on Capital Employed (ROCE) should be finalized after consultation with aviation stakeholders and companies starting with their business planning processes.
4. The preferred Bidder must be willing to:
- 4.1. Schedule meetings with the Committee, Aviation industry stakeholders the companies, as and when required by the Committee to explain the principle of the regulatory framework and to provide clarification to the companies when required;
 - 4.2. Submit a detailed report to the Committee setting out the principles and methodology followed in the Permission process upon completion of the process;
 - 4.3. Once the Permission process is completed, avail themselves to explain the mechanics and scenarios used during the Permission process when requested;
 - 4.4. Prepare and provide proper minutes of all interactions with the regulated companies, their advisors, the aviation industry and the Committee;
 - 4.5. Accommodate any delays or extension to the time-lines due to unforeseen circumstances or a request from the industry without charging additional costs;
 - 4.6. Report directly and only to the Committee during the project processes;
 - 4.7. Submit a detailed Skills Transfer Plan detailing how skills will be transferred to the Department and Committee members who are involved in this process;
 - 4.8. The preferred Bidder will also be expected to submit a **closeout report** at the end of the Permission project in accordance with the format which the Committee will prescribe; and
 - 4.9. The preferred Bidder will also be expected to submit final copy of spreadsheets, accepted formulas and the accepted Funding Models for ACSA and ATNS as agreed and accepted by the Committee and the industry.

5. STAGES OF THE PROJECT

5.1. Phase 1: Evaluation of the companies' financial models

Objective

To assess and review the financial models submitted by the companies considering the requirements of the Approach Document.

Deliverables

The issues that need to be addressed include:

- 5.1.1 A logistical, structured and comprehensive analysis of the proposed financial models;
- 5.1.2 A detailed review of the inputs, for example, operating costs and non-aeronautical revenue, method used to calculate the allowed aeronautical revenue;
- 5.1.3 Investigate whether the financial models address the principle of the regulatory framework;
- 5.1.4 Review historical traffic information and also evaluate the traffic and passenger forecasts information provided by the companies and the Aviation industry stakeholders;
- 5.1.5 Any other matters relating to the financial model; and
- 5.1.6 Implementation of skills transfer throughout the phases of the project.

5.2. Phase 2: Review of the Regulatory Asset Base (RAB)

Objective

To review the historical Regulatory Asset Base of the two companies from the previous 2018/19 – 2022/23 Permissions before the current Permission application.

Deliverable

- 5.2.1 Investigate whether the companies' RAB meet the requirement of the Committee as set out in the Principles of the RAB and the Approach Document for valuation and implementation; and
- 5.2.2 Implementation of skills transfer throughout the phases of the project.

5.3. Phase 3: Estimate the appropriate commercial Rate of Return

Objective

To research the actual rate of returns achieved by other entities in similar categories as the regulated entities (ACSA and ATNS) and determine or calculate suitable rate of returns for both ACSA and ATNS.

Deliverables

The issues that need to be addressed include:

- 5.3.1 Analyze the Rate of Return calculations submitted by both companies;
- 5.3.2 Consider comments / inputs submitted by industry on the estimated commercial rate of return for the companies;
- 5.3.3 Calculate / Estimate the appropriate commercial Rate of Return of the companies;
- 5.4.3 Present a proposal for the Commercial Rate of Return to the Committee for decision; and
- 5.4.4 Implementation of skills transfer throughout the phases of the project.

5.4. Phase 4: Evaluation of Permission Applications submitted by companies for 2021/22 – 2025/26

Objective

To analyze the information provided by both ACSA and ATNS in their Permission applications as well as the comments received from all stakeholders on the draft Permissions issued by the Committee.

Deliverables

The issues that need to be addressed include:

- 5.4.1 Analyze business plans;
- 5.4.2 Verify financial model;
- 5.4.3 Analyze economic scenarios;
- 5.4.4 Analyze traffic and passenger forecasts as provided by the companies;
- 5.4.5 Analyze corporate risk profile;
- 5.4.6 Analyze proposed charges;
- 5.4.7 Analyze the implications of the above on the various users and stakeholders;
- 5.4.8 Consult with the aviation stakeholders and obtain inputs on the companies' business and financial model;
- 5.4.9 Assist the Committee with the analysis and synthesis of regulated entities business and financial models;

- 5.4.10 Advise the Committee on the finalisation of the companies' Permissions to levy charges during its final consultation with regulated entities and the users;
- 5.4.11 Advise and assist the Committee to accurately respond to questions before such final Permissions are submitted to the Minister for approval; and
- 5.4.12 Implementation of skills transfer throughout the phases of the project.

5.5. Phase 5: Calculation of the Correction Factors in respect of the year ending 31 March 2018/19, 2019/20 and 2020/21.

Objective

To calculate the Correction Factors in order to correct for over and/or under recoveries on regulated tariffs as a result of the projected Consumer Price Index (CPI) used when the tariffs were determined. The Correction Factors would be for the financial years ending 31 March 2018/19, 2019/20 and 2020/21.

Deliverables

The issues that need to be addressed include:

- 5.5.1 Analyze the annual financial statements of ACSA and ATNS for the financial years ending 31 March 2018/19, 2019/20 and 2020/21;
- 5.5.2 Analyze the companies' Variance Reports;
- 5.5.3 Analyze audited certificates for the weighted average tariff increase;
- 5.5.4 Calculate the Return on Capital Employed (ROCE) for the financial years ending 31 March 2018/19, 2019/20 and 2020/21;
- 5.5.5 Assess the following material factors that impact on the over- or under-achievement of Return on Capital Employed:
 - (a) Cost efficiencies;
 - (b) Traffic volumes;
 - (c) Inflation; and
 - (d) Capital expenditure projects.
- 5.5.6 Implementation of skills transfer throughout the phases of the project.

6. PERMISSION TIME TABLE

Tentative timelines for the project are as follows:

No.	Activities	Deadlines	Person Responsible
1.	Regulating Committee discussions and development of the Approach Document	November 2020	RC
2.	Release of Draft Approach Document to the industry for comments	November 2019	RC
3.	Submission of proposed WACC for the companies by all stakeholders including the Airline Bodies	December 2020	Industry
4.	Discussions on Traffic Forecast by the Aviation Industry stakeholders	Before April 2021	Industry
5.	Deadline for the Industry stakeholders to submit comments on the draft Approach Document	December 2020	Industry
6.	Advertisement of Bid Document - for the appointment of a consultant to assist the Committee with the companies' 2021/22 – 2025/26 Permissions	November 2020	DoT
7.	Finalisation of the Approach Document by the Committee	January 2021	RC
7.1	Further consultation with the industry	February 2021	RC and Industry
8.	Finalisation of the Traffic Forecast & Economic Forecast by the industry	1 April 2020 – April 2021	Industry
8.1	RC Consultation with the industry within April 2020	April 2021	RC and Industry
9.	Finalisation of the companies' WACC by the Committee	30 April 2020 – 30 April 2021	RC
10.	Discussion on Capex and Opex with the industry (RC to be invited to all meetings as Observers)	On going	RC and Industry
10.1	Further consultation on Capex and Opex matters with the RC and Industry	2 weeks of May 2021	RC and Industry
11.	Pronouncement of the Traffic & Economic Forecasts by the Committee	14 May 2021	RC
12.	Companies to submit Permission Applications	30 June 2021	ACSA and ATNS
13.	Consultation on the Permissions with the RC and Consultant	July 2021	RC and Industry
14.	Calculation of the Correction Factors for ACSA and ATNS 2018/19, 2019/20 and 2020/21 financial years - Submission of variance reports and audit certificates by ACSA and ATNS	30 September 2021	RC and Industry
15.	Finalisation of the Correction Factors by the Committee	31 October 2021	RC and Consultant
16.	Gazetting of Draft Permissions for public comments by the Committee (7 to 14 days)	1 October 2021	RC
16.1	Deadline for submission of comments on the Draft Permissions between 7 and 14 days	7/14 October 2021	Industry
17.	RC to discuss and finalise comments on the Draft Permissions	31 October 2021	Industry
17.1	Discussion with the Industry on the Draft final Permissions	2 November 2021	RC and Industry
18.	Finalisation of the Permissions by the Committee	20 November 2021	RC
19.	Submission of new Permissions for the Minister's approval	November – December 2021	DoT
20.	Companies to gazette new tariffs as per the legislation (three months)	January 2022 – March 2022	ACSA and ATNS

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7 RULES OF BIDDING

7.1 Rules of Bidding

- 7.1.1 No contract will come into existence through mere winning of the bid. A contract will only come into existence after an inception meeting has been conducted and the gaps between the successful bidder's proposal and the Terms of Reference (TOR) are amicably addressed at no addition cost, followed by the signing of the contract.
- 7.1.2 The individuals proposed for professional work on the project shall remain on the project unless the Department grants prior permission to change the team composition. Such permission will not be withheld unreasonably.
- 7.1.3 The Department reserves the right to amend, modify or withdraw these TOR document or amend, modify or terminate any of the procedures or requirements set out herein at any time and from time to time, without prior notice except where required by law, and without liability to compensate or reimburse any Service Provider.
- 7.1.4 Any Briefing Notes which may be issued by the Department to the Service Providers should be considered as part of these TOR.
- 7.1.5 Neither the Department, nor any of its respective, officers, or employees may make any representation or warranty, expressed or implied in these TOR document, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.
- 7.1.6 The costs of preparing proposals and of negotiating the Contract will not be reimbursed.
- 7.1.7 The Department is not bound to accept any of the proposals submitted and reserves the right to call for best and final offers from short-listed Service Providers before final selection.
- 7.1.8 The Department also reserves the right to call interviews with short-listed Service Providers before final selection, and to negotiate price with the Preferred Service Providers
- 7.1.9 Firms may ask for clarification on these TOR or any of its Annexures up to close of business forty-eight (48) hours before the deadline for the submission of bids. Any request for clarification must be submitted by email to the Bid Office. Copies of questions and answers will be emailed to all firms that register at the briefing session, without revealing the identity of the source of the questions.
- 7.1.10 Firms may not contact the Department on any matter pertaining to their bid from the time when bids are submitted to the time the Contract is awarded. Any effort by a Service Provider to influence bid evaluation, bid comparisons or award decisions in any manner, may result in rejection of the bid concerned.
- 7.1.11 Bid submission requirements must be completed in sections and appendices provided in the bid document.
- 7.1.12 Bids must be submitted in two (2) envelopes, one (1) with the technical proposal and the other pricing. Supporting documents required for compliance including a



Valid Tax Clearance Certificate and all the SDB documents except for SBD 3.1 and 3.3, must be submitted together with the technical proposal.

7.1.13 ALL BIDDERS MUST BE REGISTERED ON THE CENTRAL SUPPLIER DATABASE AT NATIONAL TREASURY. More information in this regards is available on www.ocpo.treasury.gov.za. Proof of registration must be submitted together with the technical proposal.

7.1.14 No material or information derived from the provision of the services under the Contract may be used for any purposes other than those of the Department, except where authorized in writing to do so. All information will be held strictly confidential. The successful Service Provider may be required to sign a Confidentiality Agreement with the Department.

7.1.15 You are welcome to provide us with any additional information you consider of importance for us to consider when evaluating your response to this bid.

7.1.16 Prospective Service Providers must at all times comply with the Department's Supply Chain rules and processes with regard to all projects and payments.

7.1.17 Company/Partnership/Consortium/Joint Venture requirements

7.1.17.1 A proposal submitted by a company, close corporation or other legal person must be accompanied by a resolution or agreement of the directors or members and be signed by a duly authorized person.

7.1.17.2 A proposal submitted by a partnership must be accompanied by a written partnership agreement

7.1.18 A proposal submitted by a consortium or joint venture of two or more parties must be accompanied by a signed memorandum of understanding between the parties to such consortium indicating:

7.1.18.1 The conditions under which the consortium will function;

7.1.18.2 Its period of duration;

7.1.18.3 The persons authorized to represent it;

7.1.18.4 The participation of the several parties forming the consortium;

7.1.18.5 The benefits that will accrue to each party;

7.1.18.6 Any other information necessary to permit a full appraisal of its functioning.

7.1.19 The individuals proposed for professional work on the project shall remain on the project unless the Department grants prior permission to change the team composition. Such permission will not be withheld unreasonably.

7.1.20 Copyright of all documents and electronic aids, software programs prepared or developed in terms of the appointment, shall vest in the Department.

7.1.21 In the event that negotiations between the Department and the Preferred Service Provider/s fail with regard to the conclusion of a Contract, the Department reserves its right not to appoint the Preferred Service Provider/s without incurring any liability to compensate or reimburse the Preferred Service Provider/s.

7.1.22 The Department of Transport reserves the right to cancel the Contract forthwith and to terminate the service of the Service Provider with thirty (30) days' notice, and to do so if the Service Provider becomes unable for any reason whatsoever to implement any of the terms of the Contract due to causes within his/her control, or

delay without proper cause. In such an event, the Service Provider shall, when called to do so, hand over to the Department all documents and papers which are related to the project.

7.1.23 The Department will also have the right to:

7.1.23.1 Discontinue the services of the Service Provider at any stage during the project without any obligation to allow the Service Provider to execute the remainder of the project, and to;

7.1.23.2 Appoint a new Service Provider to execute the remainder of the project, should the Department not be satisfied with the executing of any part of the project by the Service Provider.

7.1.23.3 Should the Contract be cancelled, the quantum of remuneration due to the Service Provider for services rendered prior to the date of the termination of the Agreement shall be determined between the Department and the Service Provider.

7.1.23.4 The Preferred Service Provider may be required to enter into a Service Level Agreement (SLA) prior to appointment.

7.1.23.5 The Department is not bound to accept any of the proposals submitted and reserves the right to call for best and final offers from short-listed Service Providers before final selection.

7.1.23.6 Interested Bidders are welcome to provide us with any additional information you consider of importance for us to consider when evaluating your response to this bid.

7.1.23.7 Prospective Service Providers must at all times comply with the Department's Supply Chain rules and processes with regard to all projects and payments.

7.1.23.8 With regard to travel fees, National Treasury's prescribed cost containment measures related to travel and subsistence claims will apply. Air travel must be restricted to economy class and travel claims per kilometre may not exceed the rates approved by the Automobile Association of South Africa.

7.1.23.9 According to the 23 October 2013 Cabinet Resolution as defined in the National Treasury Instruction 01 of 2013/14: Cost Containment Measures sub-paragraph 4.2; the Consultants (or Service Provider) will only be remunerated on the following rates regime:

(a) The "Guidelines for fees" issued by the South African Institute of Chartered Accountants (SAICA);

(b) The "Guide on Hourly Fee Rates for Consultants", by the Department of Public Service and Administration (DPSA); or

(c) Based on the body regulating the profession of the Consultant.

(d) It is a mandatory requirement that 30% of the work must be allocated to Small, Medium and Micro-sized Enterprises (SMMEs) to promote the transformation agenda of Government. The prospective Bidders are therefore required to provide a signed joint venture (JV) agreement or a sub-contracting arrangement with an SMME for non



SMME companies. This is a mandatory requirement that must be achieved for the company to be evaluated further for technical requirements.

8 Delivery and Documents

- 8.1 The Contractor shall provide the Department with detailed Documentation and Reports as set out in the Contract and a Project Plan, when required by the Department, in writing, in both electronic format and hard copy.
- 8.2 Reports shall contain accurate information as to enable the Department to monitor and manage the Contractor's performance in terms of this Contract.
- 8.3 All Documentation and Reports shall be in English.
- 8.4 Submission and delivery of documents by the service provider shall not be a guarantee for a payment. Only when the quality of the work done and documents submitted have been confirmed and approved by both the Committee and the Department, shall the payment be processed.

9 Payment

- 9.1 Invoice. The Contractor's Project Manager shall at the end of each deliverable submit a consolidated invoice, certified as correct by the Contractor's Project Manager, showing the actual work performed, hours worked, and manpower inputs for the task and associated costs accompanied by all supporting documents.
- 9.2 Payment for the Services shall be made by the Department to the Contractor by electronic transfer at any banking institution in the Republic of South Africa notified by the Contractor's Project Manager or at any other place as specified in the Bid or at any other place as may be notified by the Contractor from time to time.

10 Subcontracts

- 10.1 The Contractor shall notify the Department in writing of all sub-contracts awarded under the Contract, before the commencement of the Contract, as well as at any time during the Contract."

11 Bid Evaluation

- 11.1 The decision of the Department's Bid Adjudication Committee will be final.
- 11.2 Any bidder who fails to submit any element of the bid submission requirements set out in the Terms of Reference may, at the discretion of the evaluation panel, be rejected as unsuitable for evaluation and will therefore not be further considered.



12 EVALUATION CRITERIA

12.1 The proposals will be evaluated in terms of the **80/20** principle. They will be evaluated as the entire package with attention paid to the competence of the respondent in all of the necessary specialist and functional areas. The evaluation matrix below will be used to evaluate proposals on functionality:

Functionally: The following shall apply in this regard:

Item	Evaluation Criteria	Weight in %	Rating
1.	The methodology is aligned to the scope and time frames of the project (In terms of economic regulation, traffic & passenger forecast, weighted average cost of capital, regulatory asset base and its analysis, business plan assessment, correction factor, sensitivity analysis and any other related matters)	15	Poor and not entirely aligned = 1 Not entirely aligned = 2 Good and realistic = 3 Very good and realistic = 4 Excellent and exceeds set expectations = 5
2.	Company profile (Relevant experience to IPTN, economic regulation, corporate finance, financial modeling and analysis, business analysis and reconciliation, regulatory asset base)	10	No relevant experience/similar projects = 1 2 – 3 projects = 2 4 – 5 projects = 3 6 – 7 projects = 4 6 and above = 5
3.	Technical qualifications of the project leader. (Transport planning, Transport economics, Transport engineering, Research and report writing skills and project management, chartered accountant, corporate finance). Attach certified copies of qualifications	10	Diploma = 1 Degree = 2 Hons Degree = 3 Master's Degree and Higher = 4 PhD = 5
4.	Experience of the project leader (Transport planning, Transport economics, Transport engineering, Research and report writing skills and project management, chartered accountant, corporate finance) Reference letters proving years of experience to be attached (original or certified copies thereof)	20	01 – 04 years = 1 04 – 07 years = 2 07 – 10 years = 3 10 – 15 years = 4 15 years and above = 5
5.	Technical qualification of the project team members (Transport planning, Transport economics, Transport engineering, Research and report writing skills and project management, chartered accountant, corporate finance). Attach certified copies of qualifications	15	Diploma = 1 Degree = 2 Hons Degree = 3 Master's Degree and higher = 5 PhD = 5
6.	Experience of the project team members (Relevant experience to IPTN, economic	15	01 – 03 years = 1 04 – 05 years = 2

	regulation, corporate finance, financial modeling and analysis, business analysis and reconciliation, regulatory asset base). Reference letters proving years of experience to be attached (original or certified copies thereof)		06 – 07 years = 3 8 – 10 years = 4 10 years and above = 5
7.	Skills Transfer Plan to the Departmental officials and members of the Committee. Skills and knowledge expected to be transferred for every phase of the project: 7.1 Financial model analysis – Preferred bidder is expected to teach officials how financial analysis are performed; 7.2 The bidder is expected to transfer knowledge on how RAB for both companies are analysed and show how it will execute this requirement; 7.3 Transfer knowledge to officials on how commercial rate of returns are calculated; 7.4 Evaluation of Permission Applications submitted – Transfer knowledge on critical factors taken into consideration when developing scenarios for tariffs; and 7.5 Transfer skills on how Correction Factors are calculated and what type of information is considered in executing this exercise. 7.6 Transfer skills on how the K-factor is calculated and what information should be considered.	15	Skill Transfer Plan: Poor and irrelevant = 1 Not well articulated = 2 Good and realistic = 3 Very good and realistic = 4 Excellent and exceeds set expectations = 5
TOTAL		100%	

- 12.2 The proposals will be initially evaluated on functionality and respondents will be expected to obtain at least **70 points** on functionality for them to qualify for final evaluation on price and preference. Proposals that fail to meet the minimum threshold for functionality will be disqualified. Thereafter, only the qualifying proposals will be evaluated in terms of the **80/20 Preference Points Systems** where the 80 points will be awarded for price and the 20 points will be awarded for specific goals as follows:

FINAL EVALUATION CRITERIA	POINTS
Price	80
Points for B-BBEE Rating	20
Total	100

- 12.3 Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.
- 12.4 Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but would not be disqualified from the bidding process.
- 12.5 Any enquiries in respect of B-BBEE Status Level Verification Certificates may be directed to the Department of Trade and Industry (DTI) as follows:

Ms Makhosazana Seate

Director: Empower and Enterprise Development Division (EEDD)

Tel: (012) 394-1694

Fax: (012) 394-2694

Email: MSeate@thedti.gov.za

- 13. A Bid Evaluation Committee will be established by the Department of Transport. This Committee (BEC) will evaluate all the proposals received by the deadline and make a recommendation to the Departmental Bidding Committee for the appointment of the successful service provider.

14. REMUNERATIONS

The successful bidder will be paid according to the milestones agreed upon during the inception meeting with the Committee and the Department of Transport.

15. SUBMISSION REQUIREMENTS

Bidders are required to submit:

- 15.1 The Curriculum Vitae (CV's) of all the personnel working on the project detailing all their qualifications as well as references for work done previously in this area.
- 15.2 A detailed account of the approach that will be followed in completing the work.
- 15.3 A project plan with a completion date.
- 15.4 References of work done in this area by the bidder.
- 15.5 Bids that have been only quoted in South African Rands.
- 15.6 Specify their past and current relationship, if any with either ACSA or ATNS or even both or any other aviation industry stakeholder.
- 15.7 B-BBEE status report in the form of a Verification Certificate to show their level of B-BBEE according to Department of Trade and Industry (DTI) codes of good practice.
- 15.8 Information generated in terms of this assessment remains the property of the Department of Transport.
- 15.9 Detailed supporting documents must be submitted at invoicing, stipulating the hours of work, work done against the specific phase and stipulation of involvement of consultants involved in the specific phase, and any other substantive information required.
- 15.10 A compulsory briefing session will be held and only bids that were submitted by Bidders who attended the briefing will be considered for this project.

- 15.11 Submit a detailed Skill Transfer Plan on how skills will be transferred to the employees of DoT and Committee members who are involved in this process.
- 15.12 The Report of the findings must include details of the methodology and approach used in calculating the ROCE and the proposed Correction Factor.
- 15.13 Proposals must be submitted in a two-envelope system i.e. One for pricing and the second one for technical proposal.
- 15.14 Prospective bidders in pursuing opportunities within the South African government must produce proof of registration on the Government Central Supplier Database of the National Treasury.
- 15.15 The prospective Bidders that are not SMMEs are required to provide a signed joint venture (JV) agreement or a sub-contracting arrangement with an SMME where 30% of the work is allocated to an SMME in order for that prospective Bidder to be evaluated further for technical requirements.

16 PENALTIES

- 16.1 Poor performance will result in penalties that include withholding of a minimum 30% of the total invoice of each affected phase / milestone until it is fixed before the final product is submitted. In the case where the performance has not been improved to the satisfaction of the Department and the final product is handed over, the original amount held back will not be paid over to the Service Provider under any circumstances. On the other hand, an improved quality and/or performance, at the satisfaction of the Committee and the Department, will require the outstanding part of the held back invoice to be paid to the Service Provider in full but with no additional interest.
- 16.2 The project milestones / phases are expected to be adhered to. Any deviation must be approved by the Department in consultation with the Committee prior to any commencement of the changes. Failure to do so will result in a 5% non-payment of that particular and/or affected phase(s).
- 16.3 Notwithstanding item 9.2 above, failure to meet the deadline for completion of the project will result in 30% of the total outstanding payments for the project as whole not being paid over to the Service Provider if the poor performance is attributed to the Service Provider unless there is undisputed evidence that the fault lies with the Committee or the Department.

17. COMPULSORY BRIEFING SESSION

A compulsory briefing session will be held at the Department of Transport (159 Forum Building, c/o Bosman and Struben Streets, Pretoria), on the date determined by the Department. Answers and clarification will be provided at the briefing session. Only bids that were submitted by interested Bidders who attended the compulsory briefing session will be considered.



18. SUBMISSION OF PROPOSALS

- 18.1** Bids must be submitted in English with one original document and two soft copies (total of one hard copy and 2 soft copies). Bids must be deposited on or before the closing time and date in the Tender Box at:

The Department of Transport
159 Forum Building
Cnr Struben and Bosman Street
PRETORIA
0001

19. CONTACT PERSONS

19.1 Administrative experts:

Mr John Mashinini
Supply Chain Management
Tel: 012 309 3045
E-mail: MashiniJ@dot.gov.za

Mr Thebe Khasu
Supply Chain Management
Tel: 012 309 3429
E-mail: KhasuT@dot.gov.za

19.2 Technical experts:

Ms Charmaine Mathonsi
Tariff Regulation
Tel: 012 309 3939
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Mr Noko Mashala
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THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

Js General Conditions of Contract (revised July 2010)

ANNEXURE B

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)							
BID NUMBER:	DOT/04/2020/CA	CLOSING DATE: 26 FEBRUARY 2021		CLOSING TIME:	11:00		
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO ADVISE THE REGULATING COMMITTEE IN THE ISSUANCE OF PERMISSIONS TO LEVY AIRPORT AND AIR TRAFFIC SERVICE CHARGES FOR AIRPORTS COMPANY SOUTH AFRICA (ACSA) AND AIR TRAFFIC AND NAVIGATION SERVICES (ATNS) FOR THE PERIOD 2021/22-2025/26						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
DEPARTMENT OF TRANSPORT: 159 FORUM BUILDING: CORNER OF BOSMAN AND STRUBEN STREETS IN PRETORIA							
PRIVATE BAG X 193							
PRETORIA							
0001							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	MR J MASHININI			CONTACT PERSON	MS C MATHONSI		
TELEPHONE NUMBER	012 309 3045			TELEPHONE NUMBER	012 309 3939		
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS	MashiniJ@dot.gov.za			E-MAIL ADDRESS	MathonsiC@dot.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA		
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]		
	☐ Yes ☐ No				☐ Yes ☐ No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]							
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					☐ YES ☐ NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					☐ YES ☐ NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					☐ YES ☐ NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					☐ YES ☐ NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					☐ YES ☐ NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

.....

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: **BID NO.: DOT/04/2020/CA.**

CLOSING TIME 11:00

CLOSING DATE **26 FEBRUARY 2021**

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R-----	-----
	.....	R-----	-----
	.....	R-----	-----
	.....	R-----	-----
	.....	R-----	-----
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R-----	----- days
	.....	R-----	----- days
	.....	R-----	----- days
	.....	R-----	----- days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY AMOUNT
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
		TOTAL: R.....	

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

Name of Bidder:

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....			R.....
.....			R.....
.....			R.....
.....			R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
 7. Estimated man-days for completion of project
 8. Are the rates quoted firm for the full period of contract? *YES/NO
 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

DEPARTMENT OF TRANSPORT
 Mr T Mkhari
 Supply Chain Management
 Tel: 012 309-3011

Or for technical information –

DEPARTMENT OF TRANSPORT
 Ms. C Mathonsi
 Tel: 012 309-3939
 E-mail: MathonsiC@dot.gov.za