

MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF EDUCATION

BID NUMBER: EDU/150/21/MP

**SUPPLY AND DELIVERY OF DRY FOOD
PRODUCTS AND FRESH FRUITS AND
VEGETABLES TO QUINTILE 1-3 PRIMARY,
SECONDARY AND SPECIAL SCHOOLS
(INCLUDING BOARDING SCHOOLS) IN THE
MPUMALANGA DEPARTMENT OF EDUCATION
FOR A PERIOD OF THREE (03) YEARS**

ISSUED BY:

Department of Education
Private Bag X11341
Mbombela
1200

NAME OF BIDDER:

TOTAL BID PRICE (all inclusive) :.....
(Also in words):

.....

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF EDUCATION					
BID NUMBER:	EDU/150/21/MP	CLOSING DATE:	25 NOVEMBER 2021	CLOSING TIME:	12H00
DESCRIPTION	SUPPLY AND DELIVERY OF DRY FOOD PRODUCTS AND FRESH FRUITS AND VEGETABLES TO QUINTILE 1-3 PRIMARY, SECONDARY AND SPECIAL SCHOOLS (INCLUDING BOARDING SCHOOLS) IN THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF THREE (03) YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , 24 Air Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.					
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					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX)		☐ Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes
		☐ No			☐ No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		☐	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
		☐	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
		☐	A REGISTERED AUDITOR		
		☐	NAME:		
[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		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	
		[IF YES ENCLOSE PROOF]		☐ Yes ☐ No [IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER				DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/ PUBLIC ENTITY	EDUCATION		CONTACT PERSON	Mr ER Nkosi	
CONTACT PERSON	Ms ME Olivier		TELEPHONE NUMBER	013 766 0918	
TELEPHONE NUMBER	013 766 5278		FACSIMILE NUMBER		
CELL. NUMBER			E-MAIL ADDRESS		
FACSIMILE NUMBER					
E-MAIL ADDRESS					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:								
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.5. 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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT. 1.6. OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID								
2. TAX COMPLIANCE REQUIREMENTS								
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER. 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.								
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS								
<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> <tr> <td>3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: right;">☐ YES ☐ NO</td> </tr> </table> IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO	3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO	3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO	3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO							
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO							
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO							
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO							

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SUPPLY AND DELIVERY OF DRY FOOD PRODUCTS AND FRESH FRUITS AND VEGETABLES TO QUINTILE 1-3 PRIMARY, SECONDARY AND SPECIAL SCHOOLS (INCLUDING BOARDING SCHOOLS) IN THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF 3 YEARS.

**DEPARTMENT OF EDUCATION
MPUMALANGA DEPARTMENT OF EDUCATION**



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SECTION A: GENERAL SPECIFICATIONS INFORMATION

1. BACKGROUND TO THE NSNP

The National School Nutrition Programme (NSNP), which was at its inception known as the Primary School Nutrition Programme (PSNP) was introduced by the first President of a democratic South Africa in 1994 as one of the lead projects within the Reconstruction and Development Programme (RDP).

For the first ten years the programme was implemented by the Department of Health. Since 2004, the Department of Basic Education has been tasked with the overall responsibility of implementing the programme. This task is done in partnership with provinces.

The NSNP aims to provide a cooked mid-morning meal to more than eight (08) million learners nationally, in those public schools which are ranked in quintile 1-3. The NSNP is funded through a Conditional Grant which makes it mandatory for the implementers of the programme to comply with the conditions of the grant as stipulated in the Conditional Grant Framework.

The key objectives of the NSNP are:

- Provide nutritious meals to learners on time so as to enhance their learning capacity.
- Promote healthy lifestyle amongst learners.
- Promote the establishment of school vegetable gardens and or other food production initiatives.

The Mpumalanga Department of Education (MDE) has over seventeen years of the implementation of the NSNP, used the services of a variety of service providers ranging from construction companies, security companies, etc. to deliver the requisite goods to schools.

The MDE currently uses a centralized model to implement the NSNP. This means that service providers are selected through a tender process to supply food to schools. Through this tender, the MDE intends alleviating poverty and also contribute towards the economic emancipation of the youth, women as well as people with disabilities.

2. LEGAL FRAMEWORK

The following Legislative Framework will be applicable:

- a) The South African Constitution Act No. 108 of 1996; as amended.
- b) Public Finance Management Act No. 1 of 199; as amended
- c) National Treasury Regulations 2017.
- d) Preferential Procurement Policy Framework Act No.5 of 2000; as amended.
- e) Broad Based Black Economic Empowerment Act No. 53 of 2003; as amended
- f) National Education Policy Act No.27 of 1996; as amended.
- g) The South African Schools Act No. 84 of 1996; as amended.
- h) Mpumalanga Schools Education Act No. 6 of 1995; as amended
- i) Division of Revenue Act 3 of 2016 as amended
- j) Foodstuffs, cosmetics and disinfectants Act No. 54 of 1972; as amended.
- k) Agricultural Product Standards Act No. 199 of 1990; as amended.
- l) Promotion of Access of Information Act No. 2 of 2000; as amended
- m) Promotion of Administrative Justice Act No.3 of 2000; as amended.
- n) Food colorant – Government Notice Act No. 1008 of 1996; as amended.
- o) Acids, bases and salts–Government Notice Act No. 692 of 1997; as amended.
- p) General Hygiene requirements for food premises and transportation of food- Government Notice No. R 1125 of 2003; as amended.
- q) National Health Act No. 63 of 1977; as amended.
- r) Agricultural Products Standards Act No. 119 of 1990; as amended
- s) National Guidelines on School Nutrition Programme
- t) National School Nutrition Programme Grant Framework
- u) Occupation Health and Safety Act No. 181 of 1993; as amended.

3. PROJECT BRIEF

The appointed service providers are expected to procure, store and deliver good quality dry food products and fresh fruits and vegetables to quintile 1-3 primary, secondary and special schools (including boarding schools) in Mpumalanga province. In order to fulfil the requirement of the project, the service providers will be required to:

- a) Procure and provide dry food products and fresh fruits and vegetables as prescribed in the NSNP guidelines to all MDE identified schools.
- b) Provide storage of dry food products and fresh fruits and vegetables at storing facilities (warehouses) which are certified to be used solely for the purpose of storing food for the school nutrition programme.
- c) Ensure that the delivered dry food products and fresh fruits and vegetables adhere to the Foodstuff's, Cosmetics and Disinfectants Act (Act no. 54 of 1972) and all other relevant legislation.
- d) Deliver in line with the feeding calendar that will be provided by MDE.
- e) Procure identified foodstuff produced by government supported projects (a list of these shall be supplied by the department)

4. SCOPE OF WORK

The appointed service provider(s) will be expected to provide a seamless logistical service in terms of procuring (from reputable sources) and managing the process flow along the value chain until the goods (dry foodstuffs and fresh fruits and vegetables) reach their intended destinations.

Fifty-one (51) Service Delivery Areas have been created for the purposes of delivering the required foodstuffs to schools participating in the NSNP.

Bidders will be expected to indicate **(by means of a cross)** the service delivery area(s) they are bidding for. Such ticks or crosses may not exceed three (03) per bid. However, the department reserves the right to allocate any Service Delivery Area(s) to the bidding companies.

The following tables indicate the identified Service Delivery Areas per district

BOHLABELA DISTRICT SERVICE DELIVERY AREAS

CIRCUITS	NUMBER OF SCHOOLS	LEARNERS PRIMARY 2020/21	LEARNERS SECONDARY 2020/21	TOTAL LEARNER 2020/21	SERVICE DELIVERY AREA TOTAL	SERVICE DELIVERY AREA BIDDING FOR (indicate by a cross)
ANGICOURT	22	6358	4093	10451	20287	
MAVILJAN	21	6512	3324	9836		
COTTONDALE	28	10286	5604	15890	15890	
ARTHURSEAT	21	7586	4184	11770	25762	
GREENVALLEY	21	8534	5458	13992		
CASTEEL	24	6099	3612	9711	19769	
SHATALE	20	5830	4228	10058		
DWARSLOOP	26	9295	6200	15495	15495	
MARITE	21	5246	3856	9102	21304	
LEHUKWE	25	7588	4614	12202		
XIMHUNGWE	27	9004	5893	14897	14897	
MANYELETI	30	8995	6935	15930	15930	
THULAMAHASHE	29	10100	7063	17163	17163	
MASHISHING	9	5851	3174	9025	16858	
SABIE	18	5423	2410	7833		
MKHUHLU	26	12224	8034	20278	20278	

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EHLANZENI DISTRICT SERVICE DELIVERY AREAS

CIRCUITS	NUMBER OF SCHOOLS	LEARNERS PRIMARY 2020/21	LEARNERS SECONDARY 2020/21	TOTAL LEARNER 2020/21	SERVICE DELIVERY AREA TOTAL	SERVICE DELIVERY AREA BIDDING FOR (indicate by a cross)
MALELANE	23	13565	6932	17887	17887	
INSIKAZI	38	19145	8300	27445	27445	
KHULANGWANE	30	15193	7972	21557	21557	
LUBOMBO	34	10564	5511	16075	16075	
MBOMBELA	11	4251	1824	6075	16075	
UMJINDINI	15	6888	3112	10000		
MGWENYA	23	11497	5620	17117	17117	
NKOMAZI EAST	24	14906	7132	22038	22038	
NKOMAZI WEST	22	16403	9057	25460	25460	
NKOMAZI CENTRAL	22	20657	6134	22959	22959	
NKULULEKO	21	12185	6350	18535	18535	
SIKHULILE	19	10497	4425	14922	14922	
WHITE HAZY 1	16	7998	5155	13153		
WHITE HAZY 2	16	9870	4073	13943	27096	
WHITE RIVER	31	12265	5460	17725	17725	

GERT SIBANDE DISTRICT SERVICE DELIVERY AREAS

CIRCUITS	NUMBER OF SCHOOLS	LEARNERS PRIMARY 2020/21	LEARNERS SECONDARY 2020/21	TOTAL LEARNER 2020/21	SERVICE DELIVERY AREA TOTAL	SERVICE DELIVERY AREA BIDDING FOR (indicate by a cross)
BADPLAAS	31	9035	5417	14452	14452	
CAROLINA	10	3394	1926	5320	15369	
BREYTEN	22	6451	3598	10049		
DUNDONALD	28	5410	3583	8993	8993	
HIGHVELD RIDGE EAST	19	13170	4854	18024	18024	
HIGHVELD RIDGE WEST	16	7771	5828	13599	13599	
DIPALESENG	15	6278	3085	9363	9363	
MKHONDO EAST	25			16779	19346	
MKHONDO WEST	21			8197	21580	
AMSTERDAM	22	6762	4480	12267		
VOLKSRUST	14	7121	3924	11045	11045	
WAKKERSTROOM	21	9638	6129+1060	16827	16827	
BETHAL	17	7817	4266	12083	24754	
MSUGWALIKWA 1	15	7756	4915	12671		
MSUKWALIGWA 2	15	6370	3117	9487	19536	
MASHISHILA	33	8930	6786	15716	15716	
MPULUZI	33	9035	6650	15685	15685	
LEKWA EAST	18	3420	1100	4520		
LEKWA WEST	16	8512	5695	14207	18727	

NKANGALA DISTRICT SERVICE DELIVERY AREAS

CIRCUITS	NUMBER OF SCHOOLS	LEARNERS PRIMARY 2020/21	LEARNERS SECONDARY 2020/21	TOTAL LEARNER 2020/21	SERVICE DELIVERY AREA TOTAL	SERVICE DELIVERY AREA BIDDING FOR (indicate by a cross)
EMAKHAZENI	13	5420	3844+956	10220	19279	
STEVE TSHWETE 1	15	5288	3771	9059		
EMALAHLENI 1	20	8027	4116	12143	20680	
EMALAHLANI 3	19	6119	2418	8537		
EMALAHLENI 2	31	19608	8148	27756	27756	
KWAGGAFONTEIN EAST	26	8182	5290	13472	23169	
KWAGGAFONTEIN WEST	23	5616	4081	9697		
KWAMHLANGA NORTH EAST	27	9786	6954	16740	16740	
KWAMHLANGA SOUTH WEST	20	13046	6969	20015	20015	
LIBANGENI	27	7288	4685	11973	20641	
NOKANENG	23	5396	3272	8668		
WELTEVREDE	39	8166	5112	13278	13278	
MMAMETLHAKE	22	5124	3090	8214	17158	
MARAPYANE	28	5661	3283	8944		
SIYABUSWA 1	25			12297		
SIYABUSWA 2	12			5538		
STEVE TSHWETE 2	13	7312	2990	10302	20659	
STEVE TSHWETE 3	13	5806	3557+994	10357		
TWEEFONTEIN NORTH	30	7015	4886	11901	24541	
TWEEFONTEIN SOUTH	29	7155	5485	12640		
VICTOR KHANYE	19	8092	4199	12291	12291	

4.1 Feeding rates

a) Primary Schools

The current feeding rates (2021/22) are **R3,19** per learner per day.

b) Secondary and Special Schools

The current feeding rates (2021/22) are **R3,70** per learner per day.

The rates shall be reviewed annually based on what is prescribed in the grant framework.

4.2 Packaging of food products

- a) Packaging and labeling of all the food products must adhere to the provision as prescribed in the Foodstuff's, cosmetics and disinfectants legislation.
- b) Food products must have ingredients and preparation instructions attached on the packaging.
- c) Food products must be purchased from reputable suppliers and cannot be repackaged or relabeled.
- d) Dry food products must have a shelf life of longer than five (5) months.
- e) Dry food products must have the expiry date attached and labelled with clearly visible nutritional information

4.3 Storage and Warehousing requirements for food products

- a) Food products must be stored in a clean and properly ventilated warehouse.
- b) There should be clear demarcation and signage on the floor and shelves.
- c) There must be dedicated areas for packaging and storing of food products.
- d) Proof of compliance with the Occupational Health and Safety Act (Valid Certificate of Acceptability affixed to the wall).

4.4 Distribution and Transportation requirement of food products

- a) Dry food products should be delivered once a month, a week in advance.
- b) Fresh vegetables and fruits should be delivered once a week.
- c) Food products to be transported under hygienically acceptable conditions i.e. enclosed vehicles.
- d) Service provider/s are required to use vehicles that are roadworthy (a roadworthy vehicle is one that is in an acceptable operating condition to allow for safe driving or transport. A Roadworthy Certificate is proof thereof).

- e) The service provider/s will be held responsible for any misconduct by their employees e.g. late deliveries, shortfall in food items and collusion of employees with any school representative(s) or community members.

SECTION B- BIDDING PROCESS IN TERMS OF PPPFA

5. BID EVALUATION METHODOLOGY

Evaluation in terms of compulsory returnable documents.

Evaluation in terms of functionality criteria and in terms of preference point system.

5.1 Stage 1: Returnable Documents

5.1.1 Compulsory Returnable Documents

Each bid shall comprise of a clearly indexed proposal with the bid documents that comply to the specified conditions/criteria:

Section	Compulsory Returnable Documents
a)	The bid document must be securely bound.
b)	Invitation to Bid (SBD 1) must be fully completed.
c)	Submission of fully completed SBD4 (Declaration of Interest).
d)	Submission of fully completed SBD 8 (Declaration of Bidders Past SCM Practice).
e)	Submission of fully completed SBD 9 (Certificate of Independent Bid Determination).
f)	Submission of a Valid Pin Letter from SARS. Failure to submit a Valid Pin Letter your submitted bid proposal will be considered non- responsive and shall be invalidated or disqualified and not be considered further for evaluation. Tax status must remain compliant for the duration of the bid validity period.
g)	Proof of VAT registration if the bidder is VAT registered.
h)	Originally certified copies of CIPRO/CIPC Company registration documents, share certificated indicating each director's percentage shareholding. The date on the copies must not be older than one (1) month as at the closing date of the bid.
i)	If the bidder is a joint venture/consortium/partnership, a certified copy of such an agreement and a resolution by each party to such venture/consortium/partnership authorizing its participation in the bid. If the bidder is not a joint venture/consortium/partnership this section is not compulsory.

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j)	Originally certified copies of identity documents/valid passport and or work permit of all the directors of the company. The date on the copies must not be older than one (1) month as at the closing date of the bid
k)	This bid cannot be awarded to the supplier not registered as a prospective supplier on the Central Supplier Database (CSD) administered by the National Treasury. Attach a detailed print out report of CSD.
l)	Letter of good standing, issued by the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act, 1993. The certificate must be valid as at the closing date of the bid. A letter of intent will not be accepted.
m)	Valid UIF Compliance Certificate issued by the Department of Labour. The certificate must be valid as at the closing date of the bid. A letter of intent will not be accepted.

N.B. BIDDERS WHO FAIL TO ATTACH ONE OF THE ABOVE COMPULSORY DOCUMENTS WILL HAVE THEIR BIDS DISQUALIFIED.

ALL PAGES OF THE BID DOCUMENT MUST BE INITIALED AND FAILURE TO DO SO WILL LEAD TO DISQUALIFICATION.

5.1.2 Supporting Returnable Documents

Section	Supporting Returnable Documents
a)	Sworn affidavit reflecting the annual turnover of the bidder in order to determine whether the bidder is an EME, QSE or GNE. Failure to submit the sworn affidavit will result in your B-BBEE not being considered
b)	Original or originally certified copy of B-BBEE verification certificate from a verification agency accredited by the South African National Accreditation System (SANAS) or sworn affidavit (if EME, QSE or GNE) indicating the level of preferential points to be claimed as contemplated on the amended Code of Good Practice of the B-BBEE Act. Bidders in a joint venture/ partnership/ consortium must attach a consolidated original or originally certified copy of the B-BBEE certificate indicating the level of preferential point to be claimed as a contemplated on the amended Code of Good Practice of the B-BBEE Act. The B-BBEE certificate sworn affidavit only applies to Exempted Micro Enterprises (EME) with an annual turnover of R10 Million or less and Qualifying Small Enterprise (QSE) certification sworn affidavit only applies to Qualifying Small Enterprise (QSE) with an annual turnover between R10 Million and R50 Million. Large Business must submit BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS) The sworn affidavit must be signed by the Commissioner of Oaths as per the requirements in the Justice of Peace and Commissioners of Oaths Act, 1963 (Act No. 61 of 1963). The date on the certified copies must not be older than one (1) month as at the closing date of the bid.
c)	A detailed project plan that illustrates the procurement, packaging, storage and delivery of dry food products goods according to the NSNP food specifications and guidelines. The plan should include how the company is going to prevent elements that will impact negatively on the implementation of the programme.
d)	Evidence of experience in the logistics space, and or food delivery in a form of an appointment letter/ contract or a purchase order together with a confirmation letter from a relevant institution signed by the Accounting Officer/Accounting Authority thereof

e)	Proof of availability of appropriate vehicles (Enclosed LDV and/or truck) to enable delivery of food supplies to the allocated schools. Originally certified copies of vehicle registration certificates must be attached. If the vehicles are leased, a leasing contract or intent to lease agreement and certified copies of vehicle registration certificates should be attached. In the case of intent to lease, the agreement signed by the bidder and the vehicle owner must be attached. The date on the certified copies must not be older than one (1) month as at the closing date of the bid.
f)	Proof of availability of appropriate warehousing facilities. The warehousing facilities must have a valid Certificate of Acceptability (COA), issued in the terms of Regulation R638 of Foodstuffs, Cosmetics & Disinfectants Act, 1972 (Act no. 54 of 1972) obtained from the district or metropolitan municipality. If the premises do not belong to the bidder or any of the directors, an intent to lease agreement signed by both the bidder and the warehouse owner must be attached. The appropriate warehousing facilities should be accompanied by a valid originally certified copy of Certificate of Acceptability of the premises issued by the district or metropolitan municipality. The date on the certified copies must not be older than one (1) as at the closing date of the bid.
g)	Submission of an original letter from an accredited financial institution confirming that the bidder already has a revolving credit, overdraft or cash. Original letter should be submitted OR proof of financial capacity to deliver on the project or written agreements with institutions (wholesalers/retailers) to supply you with the necessary required goods. This shall be used together with the Management Account of the bidder. To be verified by the Department before awarding the bid.

NB: FAILURE OF THE BIDDER TO ATTACH ANY OF THE ABOVE SUPPORTING DOCUMENTS WILL RESULT IN ZERO POINTS DURING THE EVALUATION PROCESS.

5.2 Stage 2 Criteria for the Evaluation of the Bid.

5.2.1 Evaluation on Functionality.

Phase 1 – Functionality

Members of the evaluation Committee shall individually evaluate the responses received bids against the following criteria:

No	Functionality	Evidence	Points	Maximum points
1)	A detailed Project plan that illustrate the different stages in the food supply value chain.	A detailed project plan that illustrates the procurement, packaging, storage and delivery of dry food products goods according to the NSNP food specifications and guidelines. The plan should include how the company is going to prevent elements that will impact negatively on the implementation of the programme.		50
		a) An understanding of the objectives and deliverables of this project.	10	
		b) Provide a detailed proposal / methodology clearly stating how the bidder plans to coordinate the project.	10	
		c) Provide an indicative work / project plan with clear deliverables and timeframes.	15	
		d) Provide a plan that mitigates against the following risks: • Shortage of foodstuff/commodities from suppliers.	15	

SUPPLY AND DELIVERY OF DRY FOOD PRODUCTS AND FRESH FRUITS AND VEGETABLES TO QUINTILE 1-3 PRIMARY, SECONDARY AND SPECIAL SCHOOLS (INCLUDING BOARDING SCHOOLS) IN THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF 3 YEARS.

		- Community Unrests during delivery. - Transport/Vehicle breakdown. - Disruptions resulting from any natural disasters.		
2)	Evidence of experience in the logistics space, and or food supply.	Evidence of experience in the logistics space, and or food supply in the form of an appointment letter/ contract or a purchase order together with a confirmation letter from a relevant institution signed by the Accounting Officer/Accounting Authority thereof.	10	
		a) 5 years and above	10	
		b) 3-4 years	8	
		c) 2-3 years	6	
		d) 1-2 years	4	
		e) Less than 1 year	2	
3)	Proof of availability of appropriate vehicles. All vehicles must have vehicle registration certificates.	Proof of availability of appropriate vehicles (Enclosed LDV's and/or trucks) to enable delivery of food supplies to the allocated schools (owned/ leased/ intent to lease agreement). Originally certified copies of vehicle registration certificates must be attached. If the vehicles leasing contract should be attached. The date on the certified copies must not be older than one (1) month as at the closing date of the bid.	10	
		a) 3 or more Enclosed Vehicles (owned).	10	
		b) 3 or more Enclosed Vehicles (leased/ intent to lease).	8	
		c) 2x Enclosed Vehicles (owned)	7	
		d) 2x Enclosed Vehicles (leased/ intent to lease).	6	

SUPPLY AND DELIVERY OF DRY FOOD PRODUCTS AND FRESH FRUITS AND VEGETABLES TO QUINTILE 1-3 PRIMARY, SECONDARY AND SPECIAL SCHOOLS (INCLUDING BOARDING SCHOOLS) IN THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF 3 YEARS.

		e) 1x Enclosed Vehicles (owned)	5	
		f) 1x Enclosed Vehicles (leased/ intent to lease).	4	
4)	Proof of availability of appropriate warehousing facilities	Proof of availability of appropriate warehousing facilities (owned/ leased/ intent to lease agreement). The warehousing facilities must have a valid originally certified certificate of Acceptability (COA), issued in the terms of Regulation R638 of Foodstuffs, Cosmetics & Disinfectants Act, 1972 (Act no. 54 of 1972) obtained from the district or metropolitan municipality. Proof that the warehouse is at least a minimum of 100 square meters.		15
		a) Owned warehouse with valid certificate of acceptability.	15	
		b) Leased warehouse with a certificate of acceptability.	12	
		c) Intent to lease warehouse with a certificate of acceptability.	8	
5)	Submission of an original letter from an accredited financial institution confirming that the bidder already has a revolving credit, overdraft or cash.	Submission of an original letter from an accredited financial institution confirming that the bidder already has a revolving credit, overdraft or cash. Original letter should be submitted OR proof of financial capacity to deliver on the project or written agreements with institutions (wholesalers/ retailers) to supply you with the necessary required goods. This shall be used together with the Management Account of the bidder. To be verified by the Department before awarding the bid.		15

SUPPLY AND DELIVERY OF DRY FOOD PRODUCTS AND FRESH FRUITS AND VEGETABLES TO QUINTILE 1-3 PRIMARY, SECONDARY AND SPECIAL SCHOOLS (INCLUDING BOARDING SCHOOLS) IN THE MPUMALANGA DEPARTMENT OF EDUCATION FOR A PERIOD OF 3 YEARS.

		OR Written agreements with institutions (wholesalers/ retailers) to supply you with the necessary required goods. To be verified by the Department before awarding the bid.		
		a) For R200 000 and above revolving credit, overdraft or cash	15	
		b) For R200 000 and above written agreement with wholesalers or retailers	12	
		c) For up to R150 000 revolving credit, overdraft or cash	12	
		d) For up to R150 000 written agreement with wholesalers or retailers	10	
		a) For up to R100 000 revolving credit, overdraft or cash	9	
		b) For up to R100 000 written agreement with wholesalers or retailers	8	
		f) For between R35 100 to R50 000 revolving credit, overdraft or cash	6	
		g) For between R35 100 to R50 000 written agreement with wholesalers or retailers	5	
		h) From R15 000 to R35 000 revolving credit, overdraft or cash	3	
		i) From R15 000 to R35 000 written agreement with wholesalers or retailers	2	
Total				100

The points scored for functionality shall be calculated as follows: Each BEC member shall award points for each criterion on the score sheet. The assessment of functionality shall be done in terms of the above mentioned evaluation criteria and the minimum threshold of 70 points. All bidders who scored the minimum threshold of 70 points or above shall advance in the bidding process. Bids/proposals that do not score the specified minimum points for functionality shall be disqualified and not be considered further.

NB: Price and Preference Points

This bid is not price based, service providers will be appointed based on the technical capacity to deliver the goods and services. The costing for each learner is determined by the Conditional Grant Framework issued by the National Department of Basic Education (DBE) for primary and secondary schools respectively per learner for each feeding day. The costing is reviewed as and when necessary. The MDoE reserves the right to allocate the number of learners to service providers. Therefore, service providers should not be penalized for non-completion of the section that requires pricing in the standard bidding documents, including the total amount on the cover page.

CRITERIA FOR BREAKING DEADLOCK IN SCORING

- a) In the event that more than the required number of bidders, qualify to be recommended for the award of individual schools, preference will be given to the bidders with highest points for B-BBEE.
- b) In the event that more bidders qualify to be recommended for the award of the individual schools, and have equal number of points for BBEE, preference will be given to the bidders (companies) owned by women, youth or persons with disabilities.
- c) If two or more tenders score equal points in all respects and have the same B-BBEE status and same points on functionality, preference will be given to the tender who has never benefitted as a service provider before.
- d) In the event that more bidders qualify to be recommended for the award of the individual schools, and have the equal number of points for BBEE, preference will be given to the bidders with the highest points for functionality.

SECTION C: SPECIAL CONDITIONS

6. SERVICE LEVEL AGREEMENT

- 6.1 Upon award, the Mpumalanga Department of Education and the successful bidder(s) will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services to be rendered to the Mpumalanga Department of Education.
- 6.2 The Mpumalanga Department of Education reserves the right to vary the proposed draft Service Level Agreement during the course of negotiations with a bidder by amending or adding thereto.
- 6.3 The Mpumalanga Department of Education reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to the Mpumalanga Department of Education or pose a risk to the department.

7. LEGISLATIVE AND REGULATORY FRAMEWORK OF THE BID

This bid and all contracts emanating from it will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A as published in terms of the Public Finance Management Act, 1999 (Act. No. 1 of 1999 as amended). The Special Conditions of Contract are supplementary to those of the General Conditions of Contract. Where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract takes precedence.

8. MPUMALANGA DEPARTMENT OF EDUCATION RESERVES THE RIGHT TO:

- 8.1 carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after the adjudication of the bid.
- 8.2 correct any mistakes at any stage of the tender process that may have been in the bid documents or occurred at any stage of the tender process.
- 8.3 cancel and/or terminate the tender process at any stage, including after the closing date and/or after submissions have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- 8.4 award to multiple bidders based either on size or geographic considerations.

- 8.5 extend the service(s) of appointed service providers to include supplying food to boarding school(s) if they happen to be within the delivery area where they are allocated to serve.
- 8.6 withdraw schools from the School Nutrition Programme or add schools where deemed necessary. A **(14) fourteen** days' notice will be given to this effect.
- 8.7 amend the number of school learners participating in School Nutrition Programme as well as the number of feeding days if deemed necessary. **Fourteen (14)** days' notice will be given.
- 8.8 Request bidders to submit samples of all processed foods from reputable producers/ manufacturer and also submit laboratory reports of their products to the Department of Education.
- 8.9 conduct an in loco inspection of the business premises (office and Warehouse) before and after awarding the tender.
- 8.10 change the menu at any time, but **thirty (30)** days' notice will be given to that effect.
- 8.11 extend the terms of reference to cover intervention programmes in schools e.g. winter holiday classes, etc. Notice to this effect will be provided 14 days before the implementation of the programme.
- 8.12 appoint one or more service provider/s per service delivery area
- 8.13 extend the terms of reference to include boarding schools in the service deliveries areas with boarding schools. In this case the boarding school's menu and items for breakfast, dinner and snacks will be provided but **thirty (30)** days' notice will be given to that effect.
- 8.14 procure identified foodstuff that are locally produced (South African Local Content) and those produced by government supported projects (a list of such these shall be supplied by the department)

9. MPUMALANGA DEPARTMENT OF EDUCATION REQUIRES BIDDER(S) TO DECLARE THE FOLLOWING:

Confirm that the bidder(s) is to: -

- a) Act honestly, fairly and with due skill, care and diligence, in the interests of the Mpumalanga Department of Education;
- b) Have and employ effectively the resources, procedures and appropriate systems for the proper rendering of the services;
- c) Act with circumspection and treat the Mpumalanga Department of Education fairly in a situation of conflicting interest;
- d) Comply with all applicable statutory or common law requirements that are applicable to the conduct of business;
- e) Make disclosures of relevant material information including disclosures of actual or potential own interest, in relation to dealings with the Mpumalanga Department of Education;
- f) To conduct business activities with transparency and consistently uphold the interests and needs of the Mpumalanga Department of Education as a client before any other consideration; and
- g) To ensure that any information acquired by the bidder(s) from the Mpumalanga Department of Education will not be used or disclosed unless the written consent of the client has been obtained.

10. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

10.1 The Mpumalanga Department of Education reserves its right to disqualify any bidder who either himself / herself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognized stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognized stock exchange), directors or members of senior management, whether in respect of the Mpumalanga Department of Education or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- a) engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b) seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

- c) makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Mpumalanga Department of Education's officials, directors, employees, advisors or other representatives;
- d) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- e) pays or agrees to pay any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- f) has in the past engaged in any matter referred above; or
- g) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

11. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

11.1 The bidder should note that the terms of its bid will be incorporated in the proposed contract by reference and that the Mpumalanga Department of Education relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder

11.2 It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by the Mpumalanga Department of Education against the bidder notwithstanding the conclusion of the Service Level Agreement between the Mpumalanga Department of Education and the bidder for the supply and delivery of the service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement as concluded between the parties, the Service Level Agreement supersedes.

12. PREPARATION COSTS

The bidder will bear all costs in preparing, submitting and presenting any response or tender of this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing the Mpumalanga Department of Education, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of his / her response to this bid.

13. INDEMNITY

If a bidder breaches the conditions of this bid, and as a result of that the Mpumalanga Department of Education incurs costs or damages (including the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), the bidder indemnifies the Mpumalanga Department of Education from any damages or harm and all such costs that the Mpumalanga Department of Education may incur.

14. PRECEDENCE

This document will prevail over any information provided during any session whether oral or written, unless such written information provided, expressly amends this document by reference.

15. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at his/her own risk and cost. The Mpumalanga Department of Education shall not be liable for any cost incurred or any damages suffered as a result of the bidder's participation in this bid process.

16. TAX COMPLIANCE

16.1 No tender shall be awarded to a bidder who is not tax compliant. The Mpumalanga Department of Education reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award for the bid.

16.2 Bidder(s) must be tax compliant when submitting a bid/proposal to the Mpumalanga Department of Education, and must remain compliant with all applicable tax legislation- including but not limited to the Income Tax Act, 1962 (Act. No. 58 of 1962) and Value Added Tax Act, 1991 (Act. No. 89 of 1991) throughout the duration of the contract.

16.3 It is a condition of this bid that the tax matters of the successful bidder should be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

16.4 The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.

16.5 It is a requirement that bidders submit a written confirmation when submitting this bid that SARS may, on an ongoing basis during the tenure of the contract, disclose the bidder's tax compliance status.

16.6 Bidders are required to be registered on the Central Supplier Database (CSD) and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.

16.7 Where Consortium / Joint Ventures / Partnership are involved, each party must be registered on the Central Supplier Database and its tax compliance status will be verified through the Central Supplier Database.

17. PROCUREMENT LEGISLATION

The Mpumalanga Department of Education has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act. 1999 (Act. No. 1 of 1999 as amended), the Preferential Procurement Policy Framework Act. 2000 (Act. No. 5 of 2000) and as well as the Broad-Based Black Economic Empowerment (Act. No. 53 of 2003).

18. TECHNICAL LEGISLATION AND IOR STANDARDS

Bidder(s) should be cognisant of the legislation and / or standards specifically applicable to the services.

19. TIMELINE OF THE BID

The validity period of this tender and the withdrawal of offers, (after the closing date) is **90** days. Any time or date in this bid is subject to change at the discretion of the Mpumalanga Department of Education. The specification of time or date in this bid does not create an obligation on the part of the Mpumalanga Department of Education to take any action, or create any right in any way for any bidder to demand that any action should be taken on the specified date.

The bidder accepts that if the Mpumalanga Department of Education extends the deadline for bid submission (the closing date) for any reason, the requirements of this bid apply equally to the extended deadline.

20. CONTACT AND COMMUNICATION

- 20.1 The Mpumalanga Department of Education may communicate with bidder(s) where clarity is sought in the bid proposal.
- 20.2 Any communication to an official or a person acting in an advisory capacity for the Mpumalanga Department of Education in respect of the bid between the closing date and the award of the bid by the bidder(s) is prohibited.
- 20.3 All communication between the bidder(s) and the Mpumalanga Department of Education must be in writing.
- 20.4 Whilst all due care has been taken in connection with the preparation of this bid, the Mpumalanga Department of Education makes no representation or warranties that the content of the bid or any information communicated to or provided to bidder(s) during the bidding process is, or will be, accurate, current or complete. The Mpumalanga Department of Education and its employees and advisors will not be liable with respect to any information communicated, which may not be accurate, current or complete.
- 20.5 If a bidder(s) find or reasonably believes that there is any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the Mpumalanga Department of Education (other than minor clerical matters), the bidder(s) must promptly notify the Mpumalanga Department of Education in writing about such discrepancy, ambiguity, error or inconsistency in order to afford the Mpumalanga Department of Education an opportunity to consider possible corrective actions (if any).
- 20.6 Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by the Mpumalanga Department of Education will, if possible, be corrected and provided to all bidder(s) without attributing it to the bidder(s) who provided the written notice.
- 20.7 All persons (including bidder(s)) obtaining or receiving the bid, and any other information in connection with the bid or the tendering process must keep the contents of the bid and such information confidential. The information must not be disclosed or used except for the purpose of developing a proposal in response to this bid.

21. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No tender shall be awarded to a bidder(s) whose name (or any of his/her company members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by the National Treasury, or have been placed on the National Treasury's List of Restricted Suppliers. The Mpumalanga Department of Education reserves the right to withdraw an award, or to cancel a contract concluded with a bidder should it be established, at any time, that the bidder has been blacklisted by the with the National Treasury or another government institution.

22. GOVERNMENT LAW

The South African law governs this bid and the related bidding process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts if any dispute of any kind may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

23. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, Employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In an event that the Mpumalanga Department of Education allows a bidder to use sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder. The Mpumalanga Department of Education will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

24. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted and where practicable, will be returned unopened to the bidder(s).

25. COUNTER CONDITIONS

Bidder(s) attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

26. FRONTING

26.1 The Mpumalanga Department of Education supports the spirit of Broad Based Black Economic Empowerment, and recognizes that real empowerment can only be achieved through individuals and businesses that conduct their affairs in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. It is against this background that the Mpumalanga Department of Education frowns upon any form of fronting.

26.2 The Mpumalanga Department of Education, in ensuring that bidders conduct themselves in an honest manner, as part of the bid evaluation process, will conduct or initiate the necessary enquiries [investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within **fourteen (14)** days from the date of notification may invalidate the bid / contract and subsequently restrict the bidder conduct business with government/state for a period not exceeding **ten (10)** years. In addition to other remedies the Mpumalanga Department of Education may have against the bidder / contractor concerned.

27. SUPPLIER DUE DILIGENCE

The Mpumalanga Department of Education reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

28. SUBMISSION OF BIDS

28.1 Bid documents may either be posted to (Refer to the tender bulletin) (preferably registered mail) on or before the closing date and time.

28.2 Bid documents will only be considered if received by the Mpumalanga Department of Education before the closing date and time, regardless of the method used to send or deliver such documents to the Mpumalanga Department of Education.

29.DURATION OF THE CONTRACT

The successful bidder(s) will be appointed for a period of three (3) years.

30.AWARD CONDITIONS

30.1 The Mpumalanga Department of Education reserves the right to award the bid to more than one bidder / contractor.

30.2 The Mpumalanga Department of Education further reserves the right to appoint or not to appoint a service provider(s) for this bid.

31.PAYMENT

The appointed service provider is expected to supply the invoice claim after the service has been rendered. The evidence that designated produce from government supported projects must be attached. Alternatively, proof that government supported projects did not have stock must be attached (a form will be designed for this purpose).

32.FINANCIAL ADMINISTRATION

The bidder shall adhere to the Department's accounting and control measures in respect of due performance before and after delivery of the service and shall comply with the formalities set by the Department for claiming in terms of the service rendered.

33.STRIKES/ RIOTS/ MARCHES

In the event there is a strike and the service provider is unable to deliver food to the schools, the Mpumalanga Department of Education must be informed immediately.

34.AGENT COMMISSION

Should the bidder sub-contract an agent or organization for the fulfillment of his/her activities under this bid, the bidder shall not be entitled to claim for agent's commission, and risks are not transferrable.

35. INDEMNITY

The service provider hereby indemnifies the Mpumalanga Department of Education against any loss, expenses, damage or injuries which may be sustained by a third party (including the learners) as well as any claim or legal proceedings and legal costs, including attorney and client costs, that may be instituted against or incurred by the Mpumalanga Department of Education and which arise from or are the result of any act or commission of the service provider or any employee or agent of the service provider in connection with or in the execution of the agreement, or that may arise from an agreement entered into by them on behalf of the Mpumalanga Department of Education.

36. SUMMARY TERMINATION OF AGREEMENT.

36.1 The Mpumalanga Department of Education has the right to terminate this agreement at any time by giving (30) thirty days' written notice to the service provider in any of the following events:

- i. On breach - If the service provider commits any breach of any terms or conditions of this agreement.
- ii. On VAT - If the service provider is not registered as a payer of Value Added Tax and claim VAT from the Department.
- iii. On liquidation or insolvency - If the service provider shall be subjected to any provisional or final order of liquidation or sequestration or judicial management with its creditors or execution to be levied on its goods or fail to pay any of its sub-contractors appointed in terms hereof on due date for payment.
- iv. On Criminal Conduct - If the service provider is found to have been reasonably and sufficiently implicated in any criminal conduct.
- v. On Insufficient Funds - If there are insufficient Government funds to provide accommodation (boarding facilities) and transport services to the learners.
- vi. On bringing the Mpumalanga Department of Education into disrepute: If the service provider, through omission or commission, brings the name of the Mpumalanga Department of Education into disrepute. This is inclusive of the service provider failing to honor its financial obligations to suppliers and thereby dragging the Education to courts of law as a respondent.
- vii. On changes in Departmental priorities - If the service is no longer required.

37. PERFORMANCE MANAGEMENT

- 37.1 Supplier Performance Management is viewed by the Mpumalanga Department of Education as a critical component in ensuring value for money in its acquisition process and good supplier relations between itself and all its suppliers.
- 37.2 The successful bidder shall upon receipt of a written notification of an award, enter into a Service Level Agreement (SLA) with the Mpumalanga Department of Education which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier's performance level and ensure effective delivery of service, quality and value add to the Mpumalanga Department of Education.
- 37.3 Bidders are required to comply with the above-mentioned conditions, and to provide a scorecard on how their products / services offering is measured in order to achieve the objectives of the aforementioned conditions.

38. AUTHORISATION DECLARATION

- 38.1 The Department reserves the right to verify any information supplied by the bidder and should the information be found to be false or incorrect, the Department will exercise any of the remedies available to it in the bid documents.
- 38.2 The bidder must ensure that all financial and supply arrangements for goods and services have been mutually agreed upon between the bidder and the third party. No agreement between the bidder and the third party will be binding on the Department.

39. TERMINATION AND /OR WITHDRAWAL

- a) Failure to comply with any of the conditions of the bid or unsatisfactory in rendering the service, the stipulations of the general conditions of contract and procedures would be applicable.
- b) An amendment or waiving of the stipulations of the contract must occur only in writing (by mutual consent) with the Department. Should the bidder alienate any right and liabilities in terms of this contract, the bidder must notify the Department immediately.

40. BREACH OF CONTRACT

- a) If the service is interrupted or temporary delayed as a result of labor disputes, civil revolt, a local or national disaster, or any other cause above the control of the bidder, the parties must mutually agree on methods to continue with essential services areas, subject to other stipulations at this bid, to render the service. If the service is not rendered in that specific area at a given time access to that area is forbidden.
- b) In such a case the contract would immediately comply with the request and the bidder would not (as a result of such a request) be entitled to bring a claim for loss or damage against the Mpumalanga Department of Education and the bidder indemnifies the Mpumalanga Department of Education against any claim from the employee concerned.

41. APPROVED DRY FOOD PRODUCTS

The products to be procured through this tender are:

- **Maize meal**
- **Samp**
- **Rice**
- **Pilchards in tomato sauce**
- **Approved soya mince**
- **Sugar beans**
- **Ultra heated full cream milk**
- **Cooking oil.**
- **Canned chicken livers**
- **Salt**

42. APPROVED PERISHABLE PRODUCTS (FRUITS AND VEGETABLES)

The products to be procured through this tender are:

- Fresh fruit – banana, orange, apples, pear etc.
- Green vegetables — cabbage, spinach, green beans, etc.
- Yellow vegetables — butternut, pumpkin, gemsquash, carrots, etc.
- Condiments — onion, tomato

43.ADDTITIONAL FOOD ITEMS FOR BOARDING SCHOOLS

The additional products to be procured for boarding schools are:

- Breakfast: creal, milk, tea, coffee, sugar, bread, peanut butter, jam etc.
- Dinner: chicken, pork, mince, etc

44.DECLARATION

I/We the undersigned hereby declare that I/WE have read and understand the above and agree to be bound by the stated terms and conditions.

Name of Bidder:

Name of contact person:

Capacity:

Signature..... **Date:**



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate**Purpose**Select the applicable optionTenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)			
Trading name (if applicable)			
ID/Passport no		Company/Close Corp. registered no	
Income Tax ref no		PAYE ref no	7
VAT registration no	4	SDL ref no	L
Customs code		UIF ref no	U
Telephone no		Fax no	
E-mail address			
Physical address			
Postal address			

Particulars of representative (Public Officer/Trustee/Partner)

Surname			
First names			
ID/Passport no		Income Tax ref no	
Telephone no		Fax no	
E-mail address			
Physical address			

Particulars of tender (If applicable)Tender number Estimated Tender amount R Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
--------------	----------------	-----------	----------------	------------------	--------

Audit

Are you currently aware of any Audit Investigation against you/the company?..... YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

Name of applicant/
Public Officer**Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

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

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
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YES/NO

[illegible]

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

[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 2017

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, 2017.

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

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor 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) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 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 price of bid under consideration

P_t = Price of bid under consideration

$P_{\min}$ = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (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	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: = (maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	☐	☐
Black people who are youth	☐	☐
Black people who are women	☐	☐
Black people with disabilities	☐	☐
Black people living in rural or underdeveloped areas or townships	☐	☐
Cooperative owned by black people	☐	☐

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of
company/firm:

8.2 VAT registration
number:

8.3 Company registration
number:

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 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 contributor indicated in paragraphs 1.4 and 6.1 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 paragraphs 1.4 and 6.1, 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 contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

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 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	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)? To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	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:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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

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

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 with 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)