



RFP

APPOINTMENT OF SERVICE PROVIDER TO SUPPLY AND IMPLEMENT A PROPERTY MANAGEMENT SYSTEM AND PROVIDE SUPPORT FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

Issued by:

**Mpumalanga Economic Growth Agency (“MEGA”)
Supply Chain Management Unit
MEGA OFFICE PARK
02 Eastern Boulevard
Riverside.**

MEGA / 2027 / 01 (RE-ADVERTISEMENT)

CLOSING DATE: 04 AUGUST 2026 AT 12:00PM

NAME OF A BIDDER: _____

TOTAL PRICE (all inclusive): _____

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE BELOW MENTIONED TENDER OF MPUMALANGA ECONOMIC GROWTH AGENCY

BID NUMBER:	MEGA / 2027 / 01	CLOSING DATE:	04 AUGUST 2026	CLOSING TIME:	12H00
DESCRIPTION	RFP - APPOINTMENT OF SERVICE PROVIDER TO SUPPLY AND IMPLEMENT A PROPERTY MANAGEMENT SYSTEM AND PROVIDE SUPPORT FOR A PERIOD OF THIRTY-SIX (36) MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA, MEGA Office Park, 02 Eastern Boulevard, Ground floor, Supply chain management unit					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. S Lekhuleni		CONTACT PERSON	Mr E Nyathikazi	
TELEPHONE NUMBER	013 492 5818		TELEPHONE NUMBER	013 492 5818	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	sibusiso.lekhuleni@mega.gov.za		E-MAIL ADDRESS	erick.nyathikazi@mega.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA

ARE YOU THE
ACCREDITED
REPRESENTATIVE
IN SOUTH AFRICA
FOR THE GOODS
/SERVICES
OFFERED?

☐Yes

☐No

[IF YES ENCLOSE PROOF]

ARE YOU A FOREIGN
BASED SUPPLIER FOR
THE GOODS /SERVICES
OFFERED?

☐Yes

☐No

[IF YES, ANSWER THE
QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)

☐ YES ☐ NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA ?

☐ YES ☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA

☐ YES ☐ NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION

☐ YES ☐ NO

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

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

.....

SECTION 1: BIDDING INFORMATION

APPOINTMENT OF SERVICE PROVIDER TO SUPPLY AND IMPLEMENT A PROPERTY MANAGEMENT SYSTEM AND PROVIDE SUPPORT FOR A PERIOD OF THIRTY-SIX (36) MONTHS

1. BACKGROUND

The Mpumalanga Economic Growth Agency (MEGA) manages a portfolio of properties that includes residential, commercial, and/or mixed-use assets. Current processes for property registration, condition assessment, maintenance, lease administration, utilities, insurance, and marketing are largely manual or fragmented across multiple systems.

To improve operational efficiency, transparency, compliance, and service delivery, the organisation intends to implement an **integrated Property Management System**.

2. PURPOSE OF THE REQUEST FOR PROPOSALS (RFP)

The purpose of this RFP is to appoint a **qualified service provider** to design, configure, implement, test, and support a **Property Management System** that will support the full property lifecycle.

3. OBJECTIVES OF THE PROJECT

The objectives of the project are to:

- a) Establish a **centralised digital property register**;
- b) Implement structured **condition assessment** and **maintenance management**;
- c) Automate **lease, utilities, and insurance management**;
- d) Enable **customer/tenant self-service**;
- e) Improve **property marketing and lead management**;
- f) Provide **real-time reporting and dashboards**; and
- g) Ensure compliance, auditability, and data integrity.

4. SCOPE OF WORK

The service provider will be required to deliver the following components (outlined in 4.1 to 4.11 below):

4.1. Property Register Module

The system must provide a comprehensive and auditable property register.

Minimum Requirements:

- a) Property and unit hierarchy
- b) Unique property identifiers
- c) Ownership and location details
- d) Property classification and usage
- e) Occupancy status tracking
- f) Document management (title deeds, plans, certificates)
- g) Property status history

4.2. Condition Assessment Module

The system must support structured condition assessments.

Minimum Requirements:

- a) Scheduled and ad-hoc inspections
- b) Component-based assessment (structural, electrical, plumbing, etc.)
- c) Condition rating scales
- d) Defect identification and prioritisation
- e) Photo and document attachments
- f) Historical assessment tracking
- g) Risk and compliance indicators

4.3. Maintenance Management Module

The system must manage preventive, corrective, and emergency maintenance.

Minimum Requirements:

- a) Work order management
- b) Preventive maintenance schedules
- c) Reactive and emergency maintenance logging

- d) Contractor and service provider management
- e) SLA and response time tracking
- f) Maintenance cost tracking
- g) Maintenance history per property or asset
- h) Integration with condition assessments and tenant requests

4.4. Utilities Management Module

The system must manage utility consumption and billing.

Minimum Requirements:

- a) Meter registration and readings
- b) Consumption tracking per unit or tenant
- c) Automated utility billing
- d) Integration with lease agreements
- e) Variance and exception reporting

4.5. Lease Management Module

The system must support the full lease lifecycle.

Minimum Requirements:

- a) Lease creation and storage
- b) Rental billing and escalation rules
- c) Deposit management
- d) Renewal and expiry alerts
- e) Lease termination processing
- f) Arrears and aging analysis

4.6. Insurance Management Module

The system must ensure adequate insurance coverage and compliance.

Minimum Requirements:

- a) Policy registration per property
- b) Coverage and insured value tracking
- c) Policy expiry alerts
- d) Claims tracking
- e) Insurance document repository

4.7. Leads and CRM Module

The system must manage rental and sales enquiries.

Minimum Requirements:

- a) Lead capture from website and other channels
- b) Lead categorisation and assignment
- c) Follow-up and activity tracking
- d) Conversion reporting
- e) CRM pipeline management

4.8. Customer/Tenant Portal

The system must provide a secure self-service portal.

Minimum Requirements:

- a) Secure user authentication
- b) Access to lease agreements and statements
- c) Invoice and receipt downloads
- d) Maintenance request submission and tracking
- e) Utility consumption visibility
- f) Notifications and communication

4.9. Website and Property Listings

The system must provide a public website integrated with the property register.

Minimum Requirements:

- a) Live property listings
- b) Images, descriptions, and pricing
- c) Search and filter functionality
- d) Online enquiry forms linked to CRM
- e) Mobile-responsive design

4.10. Marketing and Flyers

The system must support property marketing.

Minimum Requirements:

- a) Branded marketing flyer templates

- b) Automated flyer generation
- c) PDF and digital brochure output
- d) Email and digital marketing integration
- e) Campaign performance tracking

4.11. Digital Signature & Electronic Approval Module

The system must include an integrated **Digital Signature and Electronic Approval** capability using **Digital Signature functionality** to support legally compliant, paperless approvals and document execution.

Minimum Requirements:

- a) Configurable digital signature workflows
- b) Support for internal and external signatories
- c) Sequential and parallel approval routing
- d) Role-based approval authority
- e) Electronic signing of documents including:
 - Lease agreements
 - Maintenance approvals
 - Condition assessment reports
 - Contracts with service providers
 - Insurance documents
 - Internal approval forms and memoranda
- f) Automated notifications to signatories
- g) Real-time signing status tracking
- h) Audit trail capturing:
 - Signatory identity
 - Date and time of signature
 - IP address and document version
- i) Secure document storage after signing
- j) Integration with:
 - Lease Management
 - Maintenance Management
 - Condition Assessments
 - Contract and Insurance records
 - Customer/Tenant Portal (where applicable)

5. REPORTING AND DASHBOARDS

The system must provide configurable dashboards and reports, including:

- a) Property occupancy and vacancy rates
- b) Condition assessment summaries
- c) Maintenance backlog and costs
- d) Lease expiry and renewal forecasts
- e) Utility recovery reports
- f) Insurance compliance status
- g) Lead conversion and marketing performance

6. TECHNICAL REQUIREMENTS

- a) Web-based and mobile-responsive
- b) Role-based access control
- c) Audit trail functionality
- d) Secure data storage
- e) Integration with accounting and finance modules
- f) Configurable workflows and approvals

7. IMPLEMENTATION APPROACH

The service provider must follow a structured implementation methodology, including:

- a) Requirements validation
- b) System configuration and customisation
- c) Data migration (where applicable)
- d) User acceptance testing (UAT)
- e) Training and knowledge transfer
- f) Go-live support
- g) Post-implementation support

8. TRAINING & CHANGE MANAGEMENT

The bidder must provide:

- a) End-user training

- b) Administrator training
- c) Training materials and user manuals
- d) Knowledge transfer to internal staff

9. SYSTEM INTEGRATION

- a) The System must integrate seamlessly with MEGA's existing Enterprise Resource Planning (ERP) system to ensure efficient, accurate, and auditable financial management across accounts, invoicing, and payments.
- b) The system must support real-time and/or scheduled integration with the ERP system to enable secure, reliable data exchange and ensure that financial data remains consistent between the Property Management System and the ERP.
- c) The system must support synchronization of customer and tenant accounts, including:
 - 1. Account creation and updates
 - 2. Account status changes
 - 3. Customer master data alignment
- d) The system must support payment integration, including:
 - 1. Automatic reflection of payments recorded in the ERP into the Property Management System
 - 2. Support for multiple payment methods (EFT, debit orders, bank deposits, etc.)
- e) The system must include data validation and exception handling mechanisms, with:
 - 1. Automated alerts for failed transactions
 - 2. Error logging and resolution workflows
- f) The system must maintain a comprehensive audit trail of all transactions and integration activities.
- g) The system must support secure integration protocols, including:
 - 1. Application Programming Interface (API's), web services, or middleware
 - 2. Data encryption and secure authentication
 - 3. Role-based access control
- h) The system must support both batch and real-time transaction processing, with configuration based on business requirements
- i) The system must enable consolidated financial reporting, ensuring that financial data from the Property Management System and ERP are aligned and can be used for:
 - 1. Management reporting
 - 2. Audit purposes
 - 3. Dashboard visualisation

- j) The solution must be scalable and flexible, allowing for future integration with additional financial, billing, or third-party systems.

10. SUPPORT AND MAINTENANCE

The bidder must specify:

- a) Support model and response times
- b) System maintenance and upgrades
- c) Ongoing support options

11. DELIVERABLES

The successful bidder will be required to deliver:

- a) A fully configured Property Management System
- b) User manuals and training documentation
- c) Configured reports and dashboards
- d) Go-live and handover documentation

12. DURATION OF THE PROJECT

The appointed service provider(s) will be required to start immediately after signing the contract and provide the services for a period of thirty six months (36).

13. EVALUATION CRITERIA

13.1. Evaluation Stages

Bidders will be evaluated through the following **four (4) stages** of the procurement process:

- a) **Stage 1: Mandatory Requirements**
- b) **Stage 2: Functionality Evaluation**
- c) **Stage 3: System Demonstration**
- d) **Stage 4: Pricing Evaluation**

13.2. Mandatory Requirements

- a) All mandatory requirements must be met in full.
- b) Failure to meet or demonstrate any mandatory requirement may result in disqualification from further evaluation.
- c) The bidder must comply with the below mentioned mandatory requirements in order for the bid to proceed:

Number	Requirement
1.	Bidder must provide a Certificate of compliance with Information Security Management - ISO 27001 Certification.
2.	Digital Signature Proof & Certificate Validation The bidder must provide evidence that the proposed system supports advanced digital signatures with certificate validation. The evidence must include: a) Document Details, which include when the signature request was created and by who. b) A list of Participants who have signed the document. c) Timestamped, IP, and geographically traceable records of Signing Events and Access Logs.
3.	In case of a Joint Venture, an original or original certified copy of the joint/partnership agreement must be attached;
4.	CV's and Certified educational qualifications of professional personnel
5.	Fully completed pricing schedule
6.	Fully completed, signed Standard bidding documents (SBD4; SBD6.1)
7.	Letter of authority to sign the bidding documents
8.	Certified copies of Directors' or Shareholders' Identity documents
9.	Proof registration on the Central Supply Database (Detailed report)
10.	Letter of approval by the Executive Authority to do business if the entity has a member(s) who is/are Government employees.
11	Bidders who submit information that is fraudulent, factually untrue or inaccurate will be disqualified.

13.3. Functionality Evaluation Threshold

- a) Functionality scores will be calculated and converted into a percentage.
- b) Only bidders that **meet or exceed the minimum threshold of 70%** in the **Functionality Evaluation Stage** will be eligible to proceed to the **System Demonstration Stage**.

No.	Functionality	Weight	Score
1.	Project Manager Experience Qualification = (10 points) ICT Specialist (NQF Level 7 or equivalent) = (5 points) Project Manager with Project management Certificate (NQF Level 6 or equivalent) = (5 points) Experience = (20 points) Detailed CV indicating years and areas of experience. Years of experience refers to number of year's continuous involvement in deploying property solutions. Points will be allocated as follows: a) ICT Specialist with 5 years' experience = (10 points) b) ICT Specialist with 4 years' experience = (8 points) c) ICT Specialist with 3 years' experience = (5 points) d) ICT Specialist with 2 years' experience = (3 points) e) ICT Specialist with less than 2 years' experience = (0 points) f) Project Manager with 5 years' experience = (10 points) g) Project Manager with 4 years' experience = (8 points) h) Project Manager with 3 years' experience = (5 points) i) Project Manager with 2 years' experience = (3 points) j) Project Manager with less than 2 years' experience = (0 points)	30	
2.	Project plan	30	

	Provide a detailed Project plan with timelines indicating the following: (for 30 points) k) Project plan with milestones, timelines & project activities = (30 points) l) Project plan with milestones & timelines = (20 points) m) Project plan with milestones = (10 points) n) Project plan with no milestones & timelines = (5 points) o) No project plan = (0 points)		
3.	References (for the company/bidder)	40	
	The Service Provider must provide written and contactable references where a property management system has been implemented. <u>Appointment letters = 10 points</u> a) One Appointment letter = (2 points) b) Two Appointment letters = (4 points) c) Three Appointment letters = (6 points) d) Four Appointment letters = (10 points) <u>Reference letters = (30 points)</u> e) One Reference letter = (5 points) f) Two Reference letters = (10 points) g) Three Reference letters = (15 points) h) Four Reference letters = (30 points)		
	Total	100	

Minimum Threshold to proceed to the next stage of the evaluation process: 70%

13.4. System Demonstration

- a) Bidders must score 70% or more from the functionality assessment to qualify for this stage
- b) Bidders that score 80 points or more, after confirmation through the presentation and demonstration phase will proceed to the next stage of the Evaluation.

No.	Key Features/Functionality	Points
1	Property & Asset Register	
1.1	Property portfolio register (buildings, units, land, facilities)	5
1.2	Property attributes and classifications	5
1.3.	Location and site details	5
2	Lease & Contract Management	
2.1	Lease agreement capturing and lifecycle tracking	5
2.2	Provide a Tenant Vetting and screening	5
2.3	Contract start/end dates and renewal alerts	5
2.4	Rental terms and escalation rules	5
3	Tenant & Occupancy Management	
3.1	Tenant profiles and contact management	5
3.2	Linked documents and agreements	5
4	Rental Billing & Financial Integration	
4.1	Automated rental invoicing	5
4.2	Integration with Accounting	5
4.3	Payment tracking and reconciliation	5
5	Maintenance & Work Orders	
5.1	Property maintenance requests	5
5.2	Walk-in, Call, WhatsApp, websites and email ticket logging channels	5
5.3	Preventive maintenance scheduling	5
6	Reporting & Dashboards	
6.1	Occupancy reports	5
6.2	Lease expiry reports	5
6.3	Revenue and cost analysis	5
7	Customer Portal	
7.1	View invoices and statements online	5
7.2	Electronic signing of documents (Lease agreements and Maintenance approvals)	5
Total		100

13.5. Pricing Schedule Final Summary

The bidder to complete the table below for the pricing of the proposed solution.

Service Item	Year 1	Year 2	Year 3	Total
Software/Licensing (Number Users)				
Solution implementation and Configuration				
Training and Skills Transfer				
Post implementation Support and Maintenance				
Other (please specify)				
TOTAL EXCL. VAT				
VAT				
TOTAL INCL. VAT				

14. CONFIDENTIALITY

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

15. ENQUIRIES

Enquiries related to this bid may be addressed via email on or before **22 JULY 2026** and time as indicated below:

All enquiries must be directed to:
<u>Supply Chain Management</u> Mr. Sibusiso Lekhuleni Mpumalanga Economic Growth Agency Supply Chain Management Unit: 013 492 5818 sibusiso.lekhuleni@mega.gov.za
<u>Technical</u> Mr. E Nyathikazi Mpumalanga Economic Growth Agency Property Development and Infrastructure 013 492 5818 erick.nyathikazi@mega.gov.za

16. CLOSING DATE AND TIME

Date: 04 AUGUST 2026

Time: 12H00 pm South African Time (GMT +2.00)

17. METHOD AND PLACE OF SUBMISSION

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

MEGA Head Office

Supply Chain Management Unit

Ground Floor, MEGA Office Park

02 Eastern Boulevard

Riverside

Mbombela

1200

18. CONDITION OF THE BID

MEGA reserves its right to award or not to award this BID.

19. BID VALIDITY

Bids submitted shall remain valid for a period of ninety (90) days from the closing date of the bid.

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

20. COMPULSORY BRIEFING SESSION

Date : 22 JULY 2026

Time : 11:00

Place : Ground Floor, MEGA Office Park

02 Eastern Boulevard

Riverside

Mbombela

1200

Failure to attend the site briefing will result in an automatic disqualification of the bidder.

SECTION 2: RESPONDENT INFORMATION

(To be completed by Respondent)

Respondent Information

1. Name of company: _____

2. Company registration number: _____

3. Address of company:

Postal Address:

Street Address:

Company's internet address: _____

4. Contact person:

Name:

Designation:

Telephone number:

Fax number:

5. Names of the directors of your company:

Name:

Designation:

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

6. Total number of Employees:

7. Declaration:

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

(Company name):

Signature:

Date:

Name:

This BID is signed in my capacity as:

SECTION 3: TERMS AND CONDITIONS

(To be read very carefully by respondent)

Special Conditions for the bid

1. INTERPRETATION AND DEFINITIONS

1.1 Definitions

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

1.1.1 “Company”: Mpumalanga Economic Growth Agency

1.1.2 “Closing date”: the date and hour specified in the document

2. BID INVITATION

2.1 Bid Preparation

All costs in the preparation, presentation and demonstration will be on the account of the interested parties. All supporting documentation and manuals submitted in response to this request for information will become “company’s” property unless otherwise stated by the interested parties at the time of submission.

2.2 Confidentiality

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

2.3 No binding Agreement

It must be clearly understood that no business will be awarded to any interested parties of this request for information. Prices submitted with the request for information are for information only and no interested parties will be held to any price submitted. MEGA further reserves the right to contact individual interested parties to obtain further information should this be deemed necessary.

2.4 Samples

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

3. BID

3.1 Document requiring completion and return

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

- a. Prescribed bid documents
- b. Completed and signed SBD documents (SBD1, 4, 6.1)
- c. General conditions of contract
- d. Any information required in the bid

3.2 Amendment of documents by MEGA

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

4. PREPARATION OF REQUEST FOR INFORMATION

4.1 Language of document

The Bid and all correspondence and documents related to the request for information exchanged by the interested parties and MEGA shall be written in English.

5. SUBMISSION OF REQUESTS FOR INFORMATION

5.1 Address and marking of requests for information

All Bids must be:

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

5.2 Number of copies required

The interested parties must submit 2 copies including the original (one original hard copy and a soft copy – USB).

5.3 Closing date

All requests for information close on the date and the time indicated in the document.

5.4 Late submissions

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

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
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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.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

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

.....	
Signature	Date
.....	
Position	Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME	4
Total points for Price and SPECIFIC GOALS	100

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise owned by Black people	N/A	4	N/A	
Enterprise owned by Women	N/A	4	N/A	
Enterprise owned by Youth	N/A	4	N/A	
Enterprise owned by Disabled	N/A	4	N/A	
Enterprise owned by SMME's-QSE and EME	N/A	4	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

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