



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Private Bag X644 Pretoria 0001 RSA Tel (012) 421 1311 Fax (012) 341 8512
Private Bag X9057 Cape Town 8000 RSA Tel (021) 466 7600 Fax (021) 465 3610
<http://www.housing.gov.za> Fraud Line: 0800 701 701 Toll Free Line: 0800 1 46873 (0800 1 HOUSE)

REFERENCE : BID VA 49/722
ENQUIRIES : MR T MOKEMANE, MS K MALEKA, MR M KWINANA & MR C CAMAGU
TELEPHONE : (012) - 444 9289, 9243, 9245 OR 9240

BID VA 49/722: TERMS OF REFERENCE: TO CONDUCT RESEARCH TO SUPPORT POLICY DEVELOPMENT AND IMPLEMENTATION OF AFRI VILLAGES WITH MULTIPLE OUTCOMES AS WELL AS WATER WISE AND OTHER SERVICE INNOVATION INTERVENTIONS.

- 1 The closing date for the submission of applications/bid documents is **19 August 2021 @ 11:00. No late applications/bid documents will be considered. All bids must please be placed in the Tender Box at the main entrance of the building.**
- 2 It is compulsory that an original proposal/bid documents together with a copy of the proposal /bid document to be **handed in on the closing date of the bid. Please clearly mark by writing "Original" and "Copy" on the relevant bid documents.**
- 3 You are invited to bid for the services as specified in the attached forms.
- 4 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD3.3, SBD4, SBD6.1, SBD8, and SBD9 as well as any other conditions accompanying this request are applicable.
- 5 **NATIONAL TREASURY CIRCULAR NO 3 OF 2015/2016**
From 1 April 2016, institutions/departments may not award any bid to a supplier who is not registered on the Central Supplier Database (CSD).
- 6 **COMPULSORY:** Please attach a copy of the CSD report.

Regards


.....
MR. M. MAMPURU
SUPPLY CHAIN MANAGEMENT
For: **DIRECTOR-GENERAL**
DATE: **26/07/2021**
tendercovlet

Kgoro ya tsa Madulo * Lefapha la Bodulo * Lefapha la tsa Manno * Umyango Wezindawo Zokuhlala * Isebe leeNdawo zokuHala
* Litiko Letekwakhela Luntfu * Menstake Nedersettings * Umyango weeNdawo zokuHala * Muhasho wa zwa Vhudzuko * Ndzawulo ya swa Vutshamo

Breaking new ground in housing delivery - Houses, Security & Comfort

THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER: **BID VA 49/722**

DESCRIPTION: PROFESSIONAL SERVICE

CLOSING DATE: **19/08/2021@11:00**

CHECK LIST TO BE COMPLETED BY THE BIDDER:

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General Conditions of Contract		
<u>Supporting Documents:</u>		
Company Profile		
ID Copies of Directors		
Certificate issued by Registrar of Companies & Close Corporation, issued by CIPRO.		
Certified/Original Valid B-BBEE Status Level Verification Certificate – 07 December 2011		
CSD Status Report		
*** ORIGINAL & 1 COPY OF THE WHOLE BID DOCUMENT***		

BIDDER NAME IN FULL: _____

SIGNATURE: _____

CAPACITY: _____

DATE: _____

Bid invitation check list: Compiled: T Mokemane

BID NUMBER _____: TERMS OF REFERENCE TO CONDUCT RESEARCH TO SUPPORT POLICY DEVELOPMENT AND IMPLEMENTATION OF AGRI VILLAGES WITH MULTIPLE OUTCOMES AS WELL AS WATER WISE AND OTHER SERVICE INNOVATION INTERVENTIONS

1. INTRODUCTION

- 1.1 The Department of Human Settlements seeks to appoint a service provider which could comprise of a company, individuals and/or consortiums who have the required expertise, knowledge and experience to undertake investigations into the review of the norms and standards to cater for rainwater harvesting, greywater re-use management systems, gas and innovative building designs in agri-village housing projects.
- 1.2 The project entails an investigation into the application of the conventional and non-conventional norms and standards for all housing and human settlements deliverables. It should identify shortcomings and inefficiencies in the existing housing and human settlements policy measures regulating the implementation of the National Housing Programmes and quantify the extent thereof, including recommending the level of the technical norms and standards to be applied when implementing agri-village housing projects.
- 1.3 Furthermore, the project will include investigations into and the formulation of proposals to include an option to install greywater re-use management systems, rain and stormwater harvesting systems, gas and other systems including building designs in agri-village housing projects that are available delivered by the state within the various spheres of government and private sector.

2. BACKGROUND

- 2.1. The Housing Act of 1997 as amended provides that the national government has a responsibility of determining policy including setting norms and standards for the standalone housing units. The Minister of Human Settlements, Lindiwe N Sisulu, has on separate occasions announced that the Department will embark on policy options that consider housing projects that include agri-villages,

rain/ stormwater harvesting, the use of greywater re-use management devices, gas and other innovative designs and technologies.

2.2. Embarking on such policy options implied that the department must view issues at a global level. The Department has observed that at an international level the term human settlements has long ago been afforded several definitions. The universally accepted definition is provided by the United Nations which defines human settlements as the totality of human community- whether city, town or village – with all material, social, organizational, spiritual and cultural elements. It further provides that there are many types of settlements in the world. These include agri-villages, large rural villages, small rural village, homesteads, towns, secondary cities, intermediate cities and metropolitan municipalities.

2.3. Section 4 of the Housing Act provides that the national policies be included in the Housing Code. The 2009 version of the Housing Code contains six volumes with four main interventions classified as financial, incremental, social and rental Housing and rural interventions. Agri-villages falls within the scope of the incremental interventions and rural interventions. Whilst the rainwater harvesting, greywater reuse, alternative energy including gas and innovative building technology would form part of the technical specifications including norms and standards. The department is expected to develop a Human Settlements Code that will include post-Breaking New Ground interventions. This project will complement and enhance the existing norms and standards for stand-alone, higher-density designs, engineering services and innovative technology materials.

2.4. Due to the scarcity of water and energy in the country and the role that the Department plays in providing engineering services in the different types of settlements, there is a need to provide specifications, norms and standard buildings, infrastructures such as rondovelt, devices for rainwater harvesting, greywater reuse, and other innovative technologies including gas, etc.

2.5. The department has observed that the lack of implementation options for agri-village housing projects became more noticeable when COVID-19 restrictions were imposed and the Department has to provide emergency housing interventions as from March 2020. The department has also noted that the load shedding by Eskom due to shortage of electricity in the country has forced the Department to find innovative ways of dealing with electricity. It is for this reason that this project needs to be undertaken with urgency to

guide implementers. The Director General through various unsolicited proposals has since instructed the Department to pursue a policy reform that will lead development of a post BNG policy with non-conventional building designs and innovative infrastructure.

3. RATIONALE FOR RESEARCH

3.1. The Department needs to accelerate the implementation of smart agri-village housing projects, incorporating rain/stormwater harvesting, use of greywater re-use management devices gas and other innovative technologies.

3.2. To guide the implementation of such projects the Department needs to develop an implementable policy framework. This research will integrate similar technologies in the DALRRD, DEFF, DTIC, DSI, DOE and DWS sector Departments.

3.3. The development of a Human Settlements policy including building and infrastructure norms and standards on agri-village settlements or housing projects, incorporating rain/stormwater harvesting, use of greywater and re-use management devices, gas, and other capabilities and inputs as specified will assist the government to fulfill its obligations as part of the seven priorities which includes outcome 2, 4, 6, 7, 8 and 10. the following outcomes

3.3.1. Outcome 2: A long and healthy life

3.3.2. Outcome 4: Decent Employment

3.3.3. Outcome 6: Effective, efficient and responsive economic infrastructure

3.3.4. **Outcome 7:** [establishing] vibrant, equitable and sustainable rural communities and food security for all (DALRRD),

3.3.5. **Outcome 8:** [developing] sustainable human settlements transformed space economic as well as improved quality of household life (NDHS);

- 3.3.6. **Outcome 10:** environmental assets and natural resources that are well protected and continually enhanced (coordination between DWS, NDHS, DALRRD and other relevant National Departments as listed earlier).
- 3.4. The Human Settlements Sector has not created enabling environment due to delays and absence of a policy, norms and standards or at least a guideline for implementing innovation through agri-village housing projects, incorporating innovative building designs, rain/stormwater harvesting and use of greywater re-use management, gas devices as well as other alternate, durable and cost-effective energy sources, sanitation systems equipment's, and effective commodity/small animal production systems. The absence of such a policy instrument hinders the successful implementation of innovation in human settlement projects of a similar nature.
- 3.5. In 2012, the Provincial Department of Human Settlements in KwaZulu Natal embarked on an agri-village study. The conclusions of the study revealed that there were serious implementation challenges due to lack of policy, bulk services, delays in the approval processes, resistance by farmers and a perception that housing projects lead to criminal activities on the farms. Also, the inability to deliver a majority of the smart agri-villages projects, by the implementing agents or contractors has contributed to the termination of contracts.
- 3.6. To remove bottlenecks in implementation, provide the necessary and urgent impetus to the Ministerial pronouncements, the Department must take measures to enhance the existing national norms and standards to accommodate a mix of suite that will cover innovative building designs, rain/stormwater harvesting the use of greywater re-use management devices or other water-saving technologies and alternative forms of energy to assist with residential and agricultural activities.
- 3.7. The involvement of beneficiaries in safeguarding government investments, in land acquisitions, subdivisions, agri-village establishments and ensured appropriate tenure conferment will be key. This matter also needs to be part of the deliberations towards farm area security interventions.

2. OBJECTIVES

The objective of the project can be outlined as follows:

- 3.1 To produce documents in various forms including a summary report that highlights the pitfalls of previous projects that entailed the development of agri-village housing projects or settlements that deliver alternative designs and infrastructure and recommend interventions for improving the way projects are developed. The report must be evidence-based and provide a policy position in favour of the policy to be implemented.
- 3.2 The summary report must consider the unique challenges to South Africa such as spatial fragmentation, high levels of unemployment, and cover both land redistribution and land tenure programmes as well ensuring optimize market opportunities for sustainable agri-villages and also contribute the economic growth.
- 3.3 The objective of the project is to produce a policy, norms and standards and supporting guidelines that will assist to guide the planners and implementers in the development of smart agri-village housing projects.

4 SCOPE OF WORK

- 4.1. The scope of work includes:
 - 4.1.1. Reading existing documents and engaging with stakeholders to obtain clarity and understanding of key issues.

- 4.1.2. Engaging the DCOG, DEA, DEFF, WRC, DOE, DSI and its public entities, the NDHS, DWS, DTA, DTIC, DSBD, DALRRD, SALGA, IDC to ensure incorporation of similar research work previously undertaken.
- 4.1.3. Preparing a consolidated report and a summary report.
- 4.1.4. Providing an evidence map of empirical research which may include national lessons and case studies as well as examples from abroad and incorporate information from creative sciences institutions that provide lessons learned and circumstances that would avoid failure.
- 4.1.5. Recommending an appropriate pathway and value chain for implementation of agri-village housing projects that will utilize alternative building designs, rain/stormwater harvesting, greywater re-use management, gas, etc. . This must reflect a majority of government departments and institutions that play a role.
- 4.1.6. Review of current norms and standards for all housing and human settlements in the context of buildings and engineering services to at least include water-wise, gas, etc. To identify shortcomings and inefficiencies in the existing policy measures regulating the implementation of the National Housing Programmes, related houses, water, agriculture and environmental legislation, review of national and local planning and implementation practices to highlight challenges and problems encountered and the extent thereof, including the level of the technical norms and standards to be applied when implementing agri-villages.
- 4.1.7. To produce enhanced norms and standards, policy and implementation guidelines for agri-village housing projects that incorporate innovative building designs, rain/stormwater harvesting and greywater re-use devices, gas and other innovative infrastructure that must be provided by the government.
- 4.1.8. Identify risks and mitigate the risks without it having an impact on the timeframes identified in the terms of reference. Furthermore, the service provider should avoid delays having an impact on the project's budget.

5. DELIVERABLES EXPECTED

5.1. This project should be completed within six (6) calendar months. The table below provides the outline of the project in the 6 months.

Table 1: Outline of the project plan, budget and payment schedule

Deliverable	By who	By when	Budget
Present draft a report for discussion, comments, and the go-ahead to the next stage/amendments (Refer to section 4) 5.1.1. consolidated report	Service provider to Project Steering Committee	End of week 8	20%
Present final research report and submit same to the Department (Refer to section 4) and - a summary report. - Providing an evidence map	Service provider (SP) to the Steering Committee	End of week 12	10%
On submission and approval (assent by steering committee) of the final research report			
Develop/write a draft policy outlines and submit it to the department (Refer to section 4)	Service provider (SP)	End of week 15	10%
On submission and approval (assent by steering committee) of the proposed draft policy			
Write draft norms and standards for incorporating building designs, rainwater	Service provider (SP)	end of week 18	10%

Deliverable	By who	By when	Budget
harvesting, treated effluent and grey water re-use systems, gas, sanitation systems, for agri-villages and submit to the department (Refer to section 4)			
On submission and approval (assent by steering committee) of the proposed draft norms and standards			
Write draft implementation guidelines and costing submit them to the department (Refer to section 4)	Service provider (SP)	End of week 22	10%
On submission and approval (assent by steering committee) of the proposed implementation guidelines			
Present the report, draft policy, norms and standards and implementation guidelines to the National Policy Task Team (NPTT) using PowerPoint presentations (Refer to section 4)	Service provider (SP) to the NPTT	End of week 24	20%
On submission and approval of consolidated report, proposed draft policy, draft norms and standards implementation guidelines and proposed costing (Consultation Draft with incorporated comments from NPTT)			
Provide Project closure report for all the work done (Refer to section 4)	Service provider (SP)	During week 26 (Last week of the sixth month)	20%

6. MANAGEMENT ARRANGEMENTS

6.1. Management

- 6.1.1. The Chief Directorate: Operational Policy Frameworks (OPF) will manage the project.
- 6.1.2. The service provider will be expected to present the inception report and project plan, draft report, draft policy, draft norms and standards and draft implementation guidelines, costing and finally, a close-out report.
- 6.1.3. These outputs will be considered by the steering committee who will provide comments and inputs before approval of payment by the Department.
- 6.1.4. All communication between the service provider and Chief Directorate: OPF shall be made through the project manager and the Steering Committee at the NDHS.
- 6.1.5. The service provider will be expected to present the report, the proposed draft policy, draft norms and standards and draft implementation guidelines to the National Policy Task Team composed of all three (3) spheres of government.

6.2. Reporting arrangements

- 6.2.1. The bi-weekly progress report should be submitted to the Department of Human Settlements project managers who will then coordinate the meetings of the Steering Committee
- 6.2.2. Report developments in the time, provide future activity schedule, and articulate obstacles, if any, that are being encountered together with the suggested solutions to the challenges.
- 6.2.3. It would be expected that any urgent matters that affect the service provider's ability to meet the deadlines should be brought to the attention of the project manager and Steering Committee immediately.

7. EXPECTATIONS OF THE SERVICE PROVIDER

7.1. Qualification criteria

It is expected that the service provider will have:

- 7.1.1. Policy Research Methodology, Project, Programme management, Agriculture and Agricultural Economics, Human Settlements related fields and the Built Environment Professionals such as architects, town planners, urban design professionals. A quantity surveyor is a must.
- 7.1.2. Be familiar with national housing policy and legislation, water and sanitation policy and legislation including grey and rainwater harvesting and agriculture policy and legislation.
- 7.1.3. Know matters of land and inclusive agriculture nationally and internationally, policy research and development, human settlements policy, agriculture, agricultural economics and agriculture master planning.
- 7.1.4. Have good knowledge of evaluation methodologies, and experience in applying them. This would be required concerning;
 - 7.1.4.1. Strong project management skills.
 - 7.1.4.2. Expertise in drafting relevant documents.
 - 7.1.4.3. A track record of successful and timeous completion of similar assignments.

8. FEES, BILLINGS AND PAYMENT

- 8.1. This is a fixed-term contract and therefore fees shall be fixed for the duration of the contract. The bid price should reflect all the relevant costs including the disbursements and inflationary escalation, VAT etc.
- 8.2. Payment for the delivery of the work will be conducted based on identified milestones, projected cash flows and project plan as agreed in the service level agreement with the service provider.

- 8.3. The Department undertakes to pay the contract price based on fully substantiated invoices received in terms of the provisions of the payment structure upon certification of the achievement of value for money within thirty (30) days from the receipt thereof.

9. SERVICE LEVEL AGREEMENT

- 9.1. The successful bidder will be required to sign a Service Level Agreement detailing inter alia:

- Service standards;
- Fee structure
- Payment Schedule
- Terms and conditions
- Penalties for unsatisfactory performance
- Dispute resolution
- Termination of contract

10. EVALUATION AND ASSESSMENT CRITERIA

- 10.1. The evaluation of bids will firstly be on functionality and all the bidders that obtain a score equal and above the stipulated threshold for functionality will be further evaluated using the 80/20 Preference Points System.
- 10.2. The Preference Point System assigns a score to each bidder based on the bid price and the bidder's B-BBEE status. These scores are combined to determine an overall score for the bid. The bid with the highest score will be considered for appointment.
- 10.3. The Preference Point System will be applied as follows:
- For bids above R 30 000 – up to R 50 million 80 points are assigned to price and up to 20 points are assigned to B-BBEE status.
 - Points scored will be rounded off to the nearest 2 decimal places.

11. EVALUATION CRITERIA

11.1. The functionalities and capabilities will be evaluated as follows:

Criteria	Sub-Criteria	Scoring	Weighting Point/Values%
1. Illustration of understanding the scope of work	Detailed and logical project proposal with a clear and empirical methodology to be followed to respond to the scope of work	10	10
2. Experience - Reference Letters Compulsory	• Extensive experience in housing/human settlements, the built environment, architecture, quantity survey, water and sanitation including grey and rainwater harvesting and agriculture and agriculture economics related work. Experience and knowledge of agri villages, building designs, alternative forms of energy, water quality and management technology will be an added advantage. • <i>16 years and above/16 and above similar projects (30 points)</i> • Moderate experience in housing/human settlements, the built environment, architecture, water and sanitation including grey and rainwater harvesting and agriculture and agriculture economics related work. Experience and knowledge of agri villages, building designs, alternative forms of energy,	30	

Criteria	Sub-Criteria	Scoring	Weighting Point/Values%
	water quality and management technology will be an added advantage. • <i>6-15 years/6-15 similar projects (20 points)</i> • Basic experience in housing/human settlements, the built environment, architecture, water and sanitation including grey and rainwater harvesting and agriculture and agriculture economics related work. Experience and knowledge of agri villages, building designs, alternative forms of energy, water quality and management technology will be an added advantage. • <i>1-5 years/1-5 similar projects (10 points)</i>		
3. Capabilities - CVs, Qualifications, and Skills	• Social Sciences, Public/Policy, Research Methodology, Public Management, Development Studies, Project/Programme and Human Settlements related fields at <i>PhD – 30 points</i> • Social Sciences, Public/Policy, Research Methodology, management, Public Management, Development Studies, Project/Programme and Human Settlements related fields at <i>Masters – 20 points</i> • Social Sciences, Public/Policy, Research Methodology, management, Public	30	

Criteria	Sub-Criteria	Scoring	Weighting Point/Values%
	Management, Development Studies, Project/Programme and Human Settlements related fields at <i>Honours Level</i> - 10 points. Social Sciences, Public/Policy, Research Methodology, management, Public Management, Development Studies, Project/Programme and Human Settlements related fields at <i>Bachelor or National Diploma Level</i> - 5 points Quantity Survey is a must.		
Methodology and Approach	Engagement with relevant stakeholders in the public sector	5	
	Conceptualization of methodology	5	
	Illustration of innovation in programme execution	5	
	Demonstration of understanding of legislation, policies, and strategies relevant to housing/human settlements, the built environment, architecture, water and sanitation including grey and rainwater harvesting and agriculture and agriculture economics related work	15	
Total			100

12. ADDITIONAL INFORMATION

- 12.1. A service provider who submits a proposal that scores less than 60 points out of 100 points would be considered having submitted a non-responsive proposal and will be disqualified. The opposite will apply to those who score 60 points and

higher and will be further evaluated according to the 80/20 preference points system.

12.2. The Department reserves the right to shortlist an acceptable number of candidates who might be requested to make a presentation before appointing a service provider based on the above criteria.

12.3. No service provider is allowed to score themselves on the submitted documents.

13. GENERAL CONDITIONS

13.1. The service provider must furnish the following information as comprehensively

- Full details of the service provider
 - head office address and email
 - telephone and fax numbers
- level of technical competency
- company profile
- full details of the individuals to be involved, their expertise, track record and roles in the assignment;
- a detailed cost breakdown of the tender prices. Preference will be given to fixed-price contracts linked to identifiable deliverables;
- clearly defined milestones, correlating to the sections outlined in this invitation; and
- a detailed explanation of the process to be followed to provide the required service.

13.2. The successful service provider would be expected to submit a detailed project proposal indicating methodologies to be employed and a work break down schedule which will be presented to the NDHS within ten (10) days after appointment.

13.3. The successful service provider would be expected to sign a service level agreement; both the service level agreement (SLA) and the terms of reference will

be equally binding in the administration and management of the project.

- 13.4. It is expected that all deliverables shall be delivered in a manner that shows a high degree of professionalism, competence and good report writing skills. All documents must be language edited.

14. COPYRIGHT

- 14.1. The copyright of all data collected and the final reports to be delivered by the service provider will rest with the National Department of Human Settlements.
- 14.2. The service provider will not publish (including presentation to conferences and all other forums), whether in part or whole, the submitted reports without the written permission of the NDHS.
- 14.3. A contract for this project will only be awarded on the condition that all information, reports, and plans, both print and electronic, as well as the system that may have been designed specifically for this project, in whatever format, will belong to the National Department of Human Settlements. None of the information can be used without the express permission of the NDHS. To this effect, the service-provider appointed will be required to sign a confidentiality agreement.

15. ENQUIRIES

Enquiries regarding these Terms of Reference should be directed to:

Dr Vuyisani Moss

Director: Macro Policy

National Department of Human Settlements

Telephone: (012) 421 1632 Cell: 082 541 6320

E-mail: Vuyisani.Moss@dhs.gov.za

Alternatively,

Ms Hayley McKuur

Deputy Director: Macro Policy

National Department of Human Settlements

Telephone: (012) 421 1685 Cell: 081 300 6818

E-mail: Hayley.McKuur@dhs.gov.za

ABBREVIATIONS

DALRRD	Department of Agriculture, Land Reform and Rural Development
DCOG	Department of Cooperative Governance
DEFF	Department of Environment, Forestry and Fisheries
DSBD	Department Small Business Development
DSI	Department of Science and Innovation
DTA	Department of Traditional Affairs
DTIC	Department of Trade, Industry and Competition
DWS	Department of Water and Sanitation
NDHS	National Department of Human Settlements
IDC	Industrial Development Corporation
ITC	Information Communication Technology
TRANCRAA	Transformation of Certain Rural Areas Act
WRC	Water Resource Commission

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	BID VA 49/722	CLOSING DATE: 19/08/2021		CLOSING TIME:	11:00
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,					
DR RUTH MOMPATI BUILDING, 260 JUSTICE MAHOMED STREET, SUNNYSIDE,					
PRETORIA,					
0002.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	TEBOHO MOKEMANE		CONTACT PERSON	VUYANI MOSS	
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Teboho.mokemane@dhs.gov.za		E-MAIL ADDRESS	Vuyani.moss@dhs.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1. BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2. BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA .
2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6. WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

.....

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: **BID VA 49/722**

CLOSING TIME **11:00**

CLOSING DATE **19 August 2021**

OFFER TO BE VALID FOR... **90...** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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BID VA 49/722: TERMS OF REFERENCE: TO CONDUCT RESEARCH TO SUPPORT POLICY DEVELOPMENT AND IMPLEMENTATION OF AGRI VILLAGES WITH MULTIPLE OUTCOMES AS WELL AS WATER WISE AND OTHER SERVICE INNOVATION INTERVENTIONS.

- The accompanying information must be used for the formulation of proposals.
- Bidders are required to indicate a **ceiling price** based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.
- PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

R.....

- PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

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R.....

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R.....

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R.....

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R.....

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- PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....

R.....

..... days

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R.....

..... days

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R.....

..... days

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R.....

..... days

- Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....

.....

.....

R.....

.....

.....

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R.....

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R.....

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R.....

TOTAL: R.....

Name of Bidder:

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

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

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

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

*(DELETE IF NOT APPLICABLE)

Any enquiries regarding bidding procedures may be directed to the –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 260 JUSTICE MAHOMED STREET, DR RUTH MOMPATI HOUSE, SUNNYSIDE, PRETORIA, 0002

MR T MOKEMANE, MR M KWINANA, MR M CAMAGU OR MS K MALEKA

Tel: 012 444 9289, 9245, 9240 OR 9243

Or for technical information –

Contact Person: MR. VUYANI MOSS

E-mail address: Vuyani.moss@dhs.gov.za

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

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YES/NO

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YES/NO

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.....
.....

[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 **.....8020.....** 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	☐
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- 7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME 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 OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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.

SBD 9

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.

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.

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

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 (NIP) Programme** 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)