



RAND WEST CITY
LOCAL MUNICIPALITY

RAND WEST CITY LOCAL MUNICIPALITY

RWCLM-6/001/2024/2025

TENDER DOCUMENT

APPOINTMENT OF A SERVICE PROVIDER TO ENTER INTO A LEASE AGREEMENT TO SUPPLY AND MAINTAIN MULTI-FUNCTION MACHINES DESKTOP PRINTERS AO (PRINTERS) AND ANY OTHER PRINTERS FOR A PERIOD OF 36 MONTHS

Name of Tenderer : _____

Address : _____

Tel. Number : _____

Cell number : _____

Fax number : _____

E-mail : _____

Amount : _____

ISSUED BY;

THE MUNICIPAL MANAGER

Rand West City Local

Municipality

P O Box 218

Randfontein

1760

Tel: 011 411 0051

Fax: 011 693 3865

Special conditions of contract and required documentation

The following mandatory documents must be submitted with the tender document and failure to submit either may lead to your submission being declared non-responsive:

- Prices must be valid for at least ninety (90) days from the closing date and must be inclusive of VAT if the bidder is a VAT vendor.
- A valid Tax Clearance Certificate and Tax Compliance status document with PIN from SARS.
- Proof of registration with the National Treasury Central Supplier Database (a bidder must attach CSD registration report with Supplier No. and Unique Code).
- Original BBBEE certificate, certified copy or a certified original copy of EME or QSE verified affidavit in the case of EMEs and QSEs. Failure to submit either will lead in the bidder scoring no points for BBBEE. Must be a consolidated certificate for Joint Ventures.
- Certified copies of Company Registration Documents and ID copies of company directors
- Completed MBD FORMS.
- A current municipal account statement reflecting the bidder is not in arrears for more than 3 months, lease agreement or SAPS affidavit stating that the bidder not obliged to pay municipal rates.

NB: No bids will be considered from persons in the service of the state.

BIDDERS SHOULD ALSO TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- The Rand West City Local Municipality Supply Chain Management Policy will apply.
- The Rand West City Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the bid in whole or in part.
- Bids, which are late, incomplete, unsigned, faxed or sent electronically, will not be accepted.
- The latest General Conditions of Contract and any Special Conditions of Contract will apply.
- The bid will be evaluated on local production content the minimum threshold as stipulated by the DTI in each designated sector will apply.
- For all procurement that exceed 10 Million, (all application taxes included) bidders must submit the audited annual financial statements for the past three years.
- The municipality reserve the right for appoint more than one service provider.

COMPULSORY BRIEFING SESSION:

Date: 30 October 2024

Time: 10:00am

Venue: Corner Pollock and Sutherland (IT Office)

Failure to comply with these conditions may invalidate your offer.

Acknowledgement

Signature

Date



PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)

BID NUMBER:	RWCLM-6/001/2024/2025	CLOSING DATE:	25 NOVEMBER 2024	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO ENTER INTO A LEASE AGREEMENT TO SUPPLY AND MAINTAIN MULTIFUNCTION MACHINES, DESKTOP PRINTERS A0 (PRINTERS) AND ANY OTHER PRINTERS FOR A PERIOD OF 36 MONTHS.				

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

CNR Fedler and Second Street

Randfontein

1760

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ 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 PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		Pricing	
SIGNATURE OF BIDDER		DATE	

CAPACITY UNDER WHICH THIS BID IS SIGNED

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	SCM	CONTACT PERSON	Mr Lazolo Lupuwana
CONTACT PERSON	Mosimanegape Manyisa	TELEPHONE NUMBER	010 496 5538
TELEPHONE NUMBER	010 496 7126	FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	Lazola.lupuwana@randwestcity.gov.za
E-MAIL ADDRESS	Mosimanegape.Manyisa@randwestcity.gov.za		

RAND WEST CITY LOCAL MUNICIPALITY



TERMS OF REFERENCE

**APPOINTMENT OF A SERVICE PROVIDER TO ENTER INTO A LEASE
AGREEMENT TO SUPPLY AND MAINTAIN MULTI-FUNCTION MACHINES
DESKTOP PRINTERS AO (PRINTERS) AND ANY OTHER PRINTERS FOR A PERIOD
OF 36 MONTHS**

1. PURPOSE

The Rand West City Local Municipality hereby invites service providers to submit a proposal for the Lease/Rental of Multi-function Printers, the proposal should include maintenance services and support for 36 months.

2. BACKGROUND

The Rand West City Local Municipality has a lease agreement with a service provider to supply Multi-function Printers (MFPs) to print, copy, scan, and email. This agreement comes to an end at the end of December 2024. Rand West City Local Municipality wishes to appoint a service provider with proven experience in the supply & delivery of Multi-functional Printers and enter into a new lease agreement to supply MFPs (print, copy, scan, and email) for 36 months, effective from 01 January 2025.

3. SCOPE OF WORK AND DELIVERABLES

- 3.1 The successful bidder will be required to install (setup and configure) all the MFPs with the printing management system on-prem and on cloud (Azure AD integration)
- 3.2 The successful bidder will work under the directions and instructions of RWCLM's Management, and ICT unit and shall:
 - Supply (82 Multi-functional Printers for printing, copying, scanning, and emailing for at least every employee currently using MFPs.
 - Supply any other printers required by Rand West City Local Municipality. On an outright purchase. (receipt printers)
- 3.3 Thereafter maintenance and support for MFPs as per contract and Service Level Agreement (with penalties), which SLA must be agreed on and signed before the said installation. Monthly billing to be accurate and reconciled every month. Only two specified invoices must be delivered every month:
 - i. One for all the leased equipment, but with the details of each unit; and
 - ii. One for all the usage, but with the detail of each unit's printing (color and mono).

4. TECHNICAL SPECIFICATIONS

A4 Color MFP Desktop (31)

Print speed: Between 30 and 40ppm

Memory: 2GB RAM and 128GB HDD/SSD Minimum

Interfaces: USB 2.0 (host, high-speed), 10Base-T/100Base-TX/1000Base-T, wireless LAN (Optional)

Print resolution: 1200dpi

Control Panel size: 7inch Touch Panel

Paper/Media Handling

Sizes: Max. A4, min. A6

Paper weight: 60 g/m² to 218 g/m²

Scan Destination: Scan to email/FTP server/USB drive/network folder (SMB)/ISD/HDD

Supported OS: Windows Server 2016, Windows Server 2019, Windows Server 2022, Windows 10, Windows 11

Mac OS 12,13,14,15

A3 Color MFP (38)

Engine speed: 30ppm

Control panel display: 10.1-inch color LCD touchscreen

Memory: 4GB RAM and 128HDD/SSD Minimum

Resolution: 1,200 x 1,200 dpi, 600 x 600 dpi, 9,600 (equivalent) x 600 dpi

Network protocols: TCP/IP

Interface: USB 2.0 (host, high-speed), USB 3.0 (host, super speed), 10Base-T/100Base-TX/1000Base-T, Optional wireless LAN (IEEE 802.11 a/b/g/n/ac)

Supported OS: Windows Server 2012, Windows Server 2012 R2, Windows Server 2016, Windows Server 2019, Windows Server 2022, Windows 8.1, Windows 10, Windows 11, Mac OS 10. 12,13,14,15

Scan destinations: Email/desktop*¹⁵/FTP server/network folder (SMB)/USB drive/local drive

Scan speed: 80ipm Minimum.

Zoom range: 25% to 400%

Paper /Media Handling

Paper size: Max. SRA3 (12" x 18"), min. A6 (5 1/2" x 8 1/2")

Paper Weight: 60 g/m² to 300 g/m² (16 lbs bond to 110 lbs cover)

Paper Capacity: 1200 Minimum

A3 Color MFP (11)

Engine speed: 40ppm

Control panel display: 10.1-inch color LCD touchscreen

Memory: 4GB RAM and 256HDD/SSD Minimum

Resolution: 1,200 x 1,200 dpi, 600 x 600 dpi, 9,600 (equivalent) x 600 dpi

Network protocols: TCP/IP

Interface: USB 2.0 (host, high-speed), USB 3.0 (host, super speed), 10Base-T/100Base-TX/1000Base-T, Optional wireless LAN (IEEE 802.11 a/b/g/n/ac)

Supported OS: Windows Server 2012, Windows Server 2012 R2, Windows Server 2016, Windows Server 2019, Windows Server 2022, Windows 8.1, Windows 10, Windows 11, Mac OS 12,13,14,15

Scan destinations: Email/desktop*¹⁵/FTP server/network folder (SMB)/USB drive/local drive

Scan speed: One-sided: Max. 140 originals/min. Two-sided: Max. 280 originals/min.

Automatic Document feeder: Single pass/Dual Scan Document Feeder

Zoom range: 25% to 400%

Paper /Media Handling

Paper size: Max. SRA3 (12" x 18"), min. A6 (5 1/2" x 8 1/2")

Paper Weight: 60 g/m² to 300 g/m² (16 lbs bond to 110 lbs cover)

Paper Capacity: 1200 Minimum

Wide format MFP A0 (2)

Print, Scan, Copy

Integrated scanner

Long-life printheads

Durable, water-resistant ink

Paper / media handling

Print Margins Sheet Media Mode 1: 3 mm (top), 3 mm (right), 14 mm (bottom), 3 mm (left) Compatible Paper Thickness 0,08 mm - 1,5 mm Paper Formats A1, A0, B4, A3, A2+, B3, B2, A3+, A2, 36 " (91.4 cm), 24 " (61.0 cm), 17 " (43.2 cm), A4 Duplex No Borderless printing on 254 mm, 300 mm, 329 mm, 406 mm, 432 mm, 515 mm, 594 mm, 610 mm, 728 mm, 841 mm, 914 mm

Interfaces

Ethernet Interface (1000 Base-T/ 100-Base TX/ 10-Base-T), USB

Printing Resolution 2.880 x 1.440 dpi

Cashier Printers

Outright Purchase with warranty/Maintenance for 36 Months

Dot Matrix

Printing Method: Impact dot matrix

Printing Resolution: 240 x 144 DPI

Number of columns: 80 columns

Number of Pins: 9 pins

Printing Speed: High-speed Draft: 10 cpi: 612 chars/s, Draft: 10 cpi: 463 chars/s,

NLQ: 10 cpi: 115 chars/s, Ultra Speed-Draft: 12 cpi: 73 chars/s

Interfaces: Network, USB, Parallel connection.

Paper / Media Handling: Single sheet front and rear, Continuous media front and rear, Paper output rear.

Thermal POS printer

Print method: Thermal line printing

Print Speed: 250 mm/sec, 0,00 ~ 0,00 lps, 0 / 0 cps

Paper Types: Receipt

Interfaces: USB 2.0, RS-232 (optional), Ethernet interface (100 Base-TX / 10 Base-T) (optional), Drawer kick-out, Powered USB (optional), Wireless LAN IEEE 802.11a/b/g/n (optional), Parallel (optional)

Key features

All MFPs must have the following features.

Application Integration

Supports remote access.

Remote firmware updates.

Seamless integration and connection to cloud-based business process applications

Easily collaborate with hybrid workers, with optional cloud services, such as Microsoft Teams, Google Drive, Dropbox, and others.

MFP must be able to directly interact with mobile devices via Wi-Fi, Air Print, Bluetooth, and NFC.

Active Directory (AD) Integration Enables the MFP to join the network domain as a computer, making it a trusted device.

MFP must Support AD Group Policy to Allow administrators to centrally manage and select security settings and enforce their own policy.

Supports native Universal Print from Microsoft

Security

1. End-of-Lease Data Erase
2. Can protect privacy by deleting all data and personal information at trade-in time.
3. Optional Antivirus Provides comprehensive protection from virus threats.
4. Firmware Attack Prevention
5. Whitelisting
6. Real-time Intrusion Detection
7. Access to the Device IP/MAC address filtering.

Configuration

- 4.1.1 Management of MFPs must be centralized on a Print Server (Microsoft 2019/2022 Operating System) with follow me queue or find me functionality. The follow me should have the following functions
 - **Printing Quotas:** Implementation of printing quotas to monitor and control print usage across the organization.
 - **Usage Dashboard:** A comprehensive dashboard that displays data on high-volume users and frequently used printers, enabling efficient monitoring and management of printing resources.
 - **Centralized Control:** Allows administrators to manage all printers across an organization from a single interface, offering full control over print jobs, users, and policies.
 - **Secure Print Release:** Users must authenticate at the printer (via PIN, card, or mobile device) before their documents are printed, reducing the risk of sensitive information being left unattended
 - **Find-Me Printing:** Users must send a document to a universal print queue and release it at any printer within the network, enhancing convenience and reducing wait times.
 - **Print Policies:** The software can enforce print policies that encourage double-sided printing, grayscale printing, or hold jobs that exceed certain thresholds until approved, promoting environmentally friendly practices.
- 4.1.2 Printing, copying, and scanning should default to mono.
- 4.1.3 All Multi-Function Printers to be connected to the following networks:

- 50 on Randfontein Service Area's network.
- 15 on Westonaria Service Area's network; and
- 17 on Rand West Libraries.

Implementation

- 4.1.4 Deliver and install ALL MFPs at various offices of the Rand West City Local Municipality. The service provider must carry the cost of delivery to RWCLM and remote sites
- 4.1.5 Install and configure a centralized printing management system on-prem and on the cloud (Microsoft server 2019//2022) and Microsoft integration: Single Sign-On in with Microsoft, Deploy with Microsoft Intune, Azure AD groups, Azure Blob Storage, and Microsoft Power BI
- 4.1.6 Setup of All MFP end-users, Sections, Directorates, securities, printing, and scanning to a predefined standard to be agreed upon;
- 4.1.7 All MFPs must be fully operational (as per requirements) by 1 January 2025.
- 4.1.8 All deliveries of the equipment must be through RWCLM

Maintenance

- 4.1.9 Service Level Agreement for hardware and software maintenance and support must be negotiated and signed. Terms and conditions apply;
- 4.1.10 3-Year onsite warranty;
- 4.1.11 On-site repairs or/swap out Service Level Maintenance Agreement;
- 4.1.12 100% on-site available consumables e.g. toner.

Service Level Agreement (SLA)

- 4.1.13 Availability of a call log facility;
- 4.1.14 Eight (8) hours office response time;
- 4.1.15 Twenty-four (24) hours repair time;
- 4.1.16 Guaranteed parts availability;
- 4.1.17 User and IT Helpdesk training;
- 4.1.18 Penalty clauses for non-performance (SLA);
- 4.1.19 Bi-monthly service of MFM & online monitoring of equipment;
- 4.1.20 Ensure that at least 1 (one) spare toner (per color) per machine is in stock at the service area at all times.

Multi-functional Machine Reporting Software

- 4.1.21 Reporting and control per employee, Section, and Directorate levels.
- 4.1.22 Cost schedule per user, per Section, and Directorate.
- 4.1.23 Cost schedule per MFP.

Billing

- 4.1.24 It will remain the service provider's responsibility to ensure that internet connection to their billing and maintenance system is working to ensure accurate billing, timely maintenance, and delivery of consumables.
- 4.1.25 It is the service provider's responsibility to get the monthly MFP's readings, whether an automated process (Internet) or physically getting the usage (readings) from individual MFPs; and
- 4.1.26 Where the network is unavailable, the service provider is responsible for getting the monthly MFP readings.

Insurance

- 4.1.27 The service provider is responsible for comprehensively ensuring all eighty-two (82) MFPs for the full 36 months of the contract, the cost of which is to be included in the lease amount.

Additional requirements

- 4.1.39 Some requirements on individual MFPs may change over time (e.g. high quality (photo) printing, table printing, staplers, sorting, etc.). The availability of these "upgrades" or "additions" per the MFP model must be indicated in the proposal.

5. USAGE SPECIFICATION

Current list of MFPs in Randwest City Local Municipality

There are currently a total of Ninety (90) Multi-functional Printers in use at RWCLM. The average color and mono printing, per printer, for a month, are given in the below table. The existing machines must be replaced with new machines and a subtraction 8 MFPs is required (as per the technical specification). The following needs to be taken into consideration and clearly defined in the offer:

- A4 Color MFP desktop will be installed where number of employees does not exceed 11.
- Standardization & optimization of the replacement machines must be taken into consideration for cost-effective & efficient maintenance – this translates to no more than 3 different models;
- Breakdown of an offer to include the following:
 - Proposed units (models) per site;
 - Lease amounts per unit (model);
 - Maintenance cost (copy charges i.e. colour & mono) per unit (model);
 - A copy of the specifications of all the models offered should be attached to the bid document.

Rand West City Local Municipality wants to sign a single lease agreement with a single supplier, i.e. the supply, maintenance, support, finance; lease and other issues must be contracted with a single service provider. Bidders will be required to provide proof of at least three (3) contracts of similar nature to demonstrate experience in the supply, maintenance support & delivery of Multi-functional Machines.

CURRENT LIST OF MFPs IN Rand West City Local Municipality

Station	Black&W hite A4	Colour A4	Black&W hite A3	Colour A3	Scans
IT	12688	68476	0	0	12299
Credit Control	37372	117941	0	0	9581
Creditors	17503	82569	0	0	59830
Water & lights 1 (town enquiry)	95827	170295	257	31	25271
Records	14755	64002	0	0	9654
Internal Audit	10453	39411	0	0	7131
Finance CFO	40755	103410	241	686	70862
Budget	10070	50897	0	0	9761
Pay Office	38686	83290	0	0	9032
Mayor's Office	14230	97011	0	0	6953
Speakers Office	40819	94737	478	211	36210
PMS/IDP	2609	7179	1	40	723
MM's Office	13022	79828	0	0	13366
Valuation Office	4223	30683	0	0	3992
Corporate Support Services	24916	117734	0	0	16555
Chief Whip	5713	68707	0	0	3297
Human Resources	14762	39671	0	0	6718

Social Services	22765	84838	0	0	11074
Infra - Structure - Admin	6368	42802	0	0	3674
Infra - Structure - Derector's	3644	27568	0	0	5467
Development Planning	8405	63993	0	0	11945
Building Control	5310	47248	0	0	1249
Map Room	4916	20250	0	0	104
Town Library 1	14274	15213	400	225	24365
Town Library 2	14529	29191	0	0	3020
LED	18026	98496	0	0	26366
Electrical Department	17229	47575	0	0	11288
Stores	29227	100086	0	0	8688
Housing	42861	71568	2275	485	49769
Public Safety & Licensing	37477	121549	0	0	21184
Traffic Licensing	23740	97026	3	3186	32120
Civil Works	9508	65991	0	0	7113
Toekomsrus Library 1	14103	8144	0	0	1742
Toekomsrus Library 2	29801	12238	659	696	1931
Kocksoord Library	4746	5038	0	0	395
Randgate Library 1	6763	6338	0	0	3531
Randgate Library 2	1607	2828	0	0	472
New Public Safety	799	23082	0	0	163
Fleet Management	3807	18968	0	0	579
Lekgotla's Office	10537	63107	0	0	11771
Rates & Taxes Office	19790	80411	0	0	2045
Sundries/Debtors Office	21154	120214	0	0	1993
Supply Chain	107134	113372	106	112	64040
New Mohlakeng X7 - 1	5527	5801	0	0	7556
Badirile Library	12418	5615	0	0	2845
Jabulani Library	3401	5184	0	0	738
MPAC	7590	56176	0	0	6429
War Room	909	13898	0	0	733
OHS	18009	128856	0	0	76114
Water & lights 2 (Revenue)	67990	146297	0	0	9451
Revenue Enhance	9099	26513	0	0	3881
House no.5	93	327	0	0	0
Legal Department	18535	82893	0	0	33132
Housing/Town Planning West	6754	23924	0	0	1662
Finanace Passage West	48932	78877	311	126	19511

Second Floor West	86576	214313	0	0	28802
Public Safety West	72647	85251	0	97	20463
Stores/SCM West	10135	60231	0	0	2766
Political office & LED West	6780	35165	0	0	1070
Community Service West	25821	77400	0	0	6011
Finance Enquiries West	5780	41931	0	0	2389
Electrical Department West	6287	11924	0	0	5061
Testing Station Licensing West	81943	4594	0	0	1125
Waste & Parks West	7278	36494	0	0	1693
Venterspost Library	4235	7144	0	0	1934
Glenhavie Library	2271	1646	0	0	157
Hillshaven Library	6858	8237	0	0	0
Thusanang Library	18784	25929	143	562	2233
Westonaria Main Library 1	14000	19539	1976	308	12911
Westonaria Main Library 2	28826	27534	0	0	6129
Simunye Library 1	8271	5043	0	0	2008
Simunye Library 2	1991	486	0	0	1020
Bekkersdal Library 1	14035	9438	407	424	17039
Bekkersdal Library 2	5571	1499	0	0	0
Zuurbekom Library	1777	652	0	0	0
Facilieties	928	7910	0	0	28225
Mohlakeng Ramosa Hall	4621	5000	0	0	558
Zuurbekom Paypoint					
Toekomrus Paypoint					
Simunye paypoint					
Printing room	183763	438754	145	39184	62259
Westonaria IT					
Cashiers West					
Roads West					
AO - Machines					
Rand West	6329				
Westonaria	62				
Total	1681749	4403450	7402	46373	973228

6. EVALUATION

- 80/20 Principle
- Bidders will be evaluated on track record, software used, invoicing, network requirements, service interval, and toner stock

Evaluation Information and Documents to be submitted by bidders:

- Previous certified appointments with contactable reference letters of similar contract nature to demonstrate experience in the supply, delivery & maintenance of multi-functional machines (MFM's).
- Company profile, name and qualifications of Technicians & number of Technicians employed with their OEMs
- Confirmation that the management of the MFM's will be centralized on-prem and on the cloud (Microsoft server 2019 / 2022 Operating System);
- Confirmation that the monthly billing will be invoiced as per 3.2.
- Available network ports of proposed models (units) must be indicated.
- Confirmation on the service intervals for MFM's; and
- Availability of consumables i.e. toners (estimated delivery times).

The above-mentioned information must be clearly stated and/or attached in the proposal

	EVALUATION CRITERIA	WEIGHT
1.	Track record: The bidder must provide certified previous appointment letters and corresponding contactable reference letters of similar contracts: 5 or more = 20 points 3 to 4 = 10 points Less than 3 = 0 points	20
2.	Number of Technicians employed: The bidder must submit CVs and certified copies of technical certifications for all technicians. Each technician must possess an IT-related certification, such as CompTIA A+ or an equivalent NQF level qualification. With the latest certification that is either issued by the printer's manufacturer or certified by an authorized partner of the manufacturer (OEM). Each technician's CV must clearly include an OEM certification. 5 and more = 20 points 2 to 4 = 10 points 1 = 0 points	20
3.	Centralized Management: Printer management software of the MFM's to be centralized on a print server (Microsoft 2019/2022 Operating System) confirmation of certified Microsoft compliance Management system running on Microsoft on-prem and cloud with all configurations on 4.1.1 = 20 points Management system running on Microsoft on-prem with all configurations on 4.1.1 = 10 points No management system = 0 points	20
4.	Invoicing Monthly billing to be accurate and reconciled every month. Only two invoices must be delivered every month: (i) One for all the leased equipment, but with the detail of each unit; and (ii) One for all the usage, but with the detail of each unit's printing (color and mono). Confirmation of compliance – sample invoice = 10 points	10

5.	Network requirements: Available network ports on the MFM's to be indicated on the proposal. Double Ethernet (RJ45) point & wireless = 10 points Single Ethernet (RJ45) point = 5 points No Ethernet adaptor (RJ45) point = 0 points	10
6.	Service Interval Monthly = 10 points Bi-monthly = 5 points As and when required = 0 points	10
7.	Toner Stock & other Consumables: Guaranteed same day = 10 points Guaranteed same week = 5 points More than a week / No guarantee = 0 points	10
	TOTAL	100
	Threshold	80

A minimum threshold for the functionality of 80 points is required. Bids that do not meet this threshold will automatically be disqualified from further evaluation.

Thereafter, only the qualifying bids will be evaluated in terms of the 80/20 preference point system, where a maximum of 80 points are allocated for price and a maximum of 20 points are allocated in respect of special goals.

Any further information may be obtained from:

- 1) Mr. L Lupuwana
Email: Lazola.lupuwana@randwestcity.gov.za
- 2) Mr. P Molapo
Email: Prince.Molapo@Randwestcity.gov.za

Pricing schedule of printers

Lease or monthly rental

Printer Description	Quantity	Price per Machine	Amount without VAT	VAT	Total
A4 Color MFP Desktop	31				
A3 Color MFP(30ppm)	38				
A3 Color MFP (Speed 40ppm)	11				
Wide format MFP A0	2				

Outright purchase (cashier printers)

Printer Description	Price per machine	Amount Without VAT	VAT	Total
Dot Matrix				
Thermal				

Scan Usage

Scan	Price per scan	Amount without VAT	VAT	Total
A3 Colour				
A3 Black and White				
A4 Colour				
A4 Black and White				

Printing Usage

Printing	Price per print	Amount without VAT	VAT	Total
A3 Colour				
A3 Black and White				
A4 Colour				
A4 Black and white				

Copy Usage

Copy	Price per copy	Amount without VAT	VAT	Total
A3 Colour				
A3 Black and White				
A4 Colour				
A4 Black and white				

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid Number.....
Closing Time	Closing Date

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
----------	----------	-------------	--

- | | | | |
|---|--|-------|--------------------------|
| - | Required by: | ..... |  |
| - | At: | ..... |  |
| | | | |
| - | Brand and Model | ..... |  |
| - | Country of Origin | ..... |  |
| - | Does the offer comply with the specification(s)? | | *YES/NO |
| - | If not to specification, indicate deviation(s) | ..... |  |
| - | Period required for delivery | ..... |  |
| | | | *Delivery: Firm/Not firm |
| - | Delivery basis | ..... |  |

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

MBD 4

DECLARATION OF INTEREST

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

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

3.2 Identity Number:

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

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.

.....

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

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....

.....

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

3.11.1 If yes, furnish particulars

.....

.....

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

3.12.1 If yes, furnish particulars.

.....

.....

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

3.13.1 If yes, furnish particulars.

.....

.....

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

3.14.1 If yes, furnish particulars:

.....

.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

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

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

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

***YES / NO**

.....

.....

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

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

2.2 If yes, provide particulars.

.....

.....

.....

.....

* Delete if not applicable

***YES / NO**

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

3.1 If yes, furnish particulars

.....
.....

***YES / NO**

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

***YES / NO**

4.1 If yes, furnish particulars

.....
.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
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:

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where 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)
At least 51% black ownership	5	10		
At least 51% Women ownership	5	10		

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:	.....
	
	
	

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

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

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

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

1.6. A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;

2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour and intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. **“sub-contract”** means the primary contractor's assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

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

	%
	%
	%

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

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

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

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

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

- 5.1. If yes, provide the following particulars:

- (a) Full name of auditor:
- (b) Practice number:
- (c) Telephone and cell number:
- (d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

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

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

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

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity):
.....

NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thedti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that

- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

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

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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

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

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

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

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

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

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

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

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THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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| 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.