



**REQUEST FOR A PROPOSAL FROM A SUITABLE
SERVICE PROVIDER FOR THE DESIGN AND
CONSTRUCTION OF BULK SERVICES FOR MARIKANA
EXT 13 OF ON BEHALF OF THE NORTH-WEST
HOUSING CORPORATION (NWHC).**

TENDER NUMBER: NWHC 09/2024

CLOSING DATE: 16 OCTOBER 2024

CLOSING TIME: 11H00

NAME OF BIDDER :

CONTACT PERSON :

ADDRESS OF BIDDER:

.....

TEL NUMBER : (.....)

EMAIL :

CSD NUMBER :

BBBEE LEVEL :

BID AMOUNT :

ISSUED BY:
SUPPLY CHAIN MANAGEMENT
NORTH-WEST HOUSING CORPORATION
23 FIRST STREET
SEGARONA BUILDING
INDUSTRIAL SITE, MAFIKENG
2745
TEL: [018] 110 0761

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NORTH-WEST HOUSING CORPORATION							
BID NUMBER:		NWHC 09 / 2024		CLOSING DATE:		16TH OCTOBER 2024	
				CLOSING TIME:		11H00	
DESCRIPTION		REQUEST FOR A PROPOSAL FROM A SUITABLE SERVICE PROVIDER FOR THE DESIGN AND CONSTRUCTION OF BULK SERVICES FOR MARIKANA EXT 13 OF ON BEHALF OF THE NORTH-WEST HOUSING CORPORATION (NWHC).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
NO.23 FIRST STREET, SEGARONA BUILDING							
INDUSTRIAL SITE							
MAFIKENG							
2745							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON		LETLHOGONOLO MAKWATI		CONTACT PERSON		WITNESS M. MOELA	
TELEPHONE NUMBER		018 011 0761		TELEPHONE NUMBER		076-793-2359	
FACSIMILE NUMBER		N/A		FACSIMILE NUMBER			
E-MAIL ADDRESS		flmakwati@nwhc.co.za		E-MAIL ADDRESS		mmoela@nwhc.co.za	
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER		CODE		NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER		CODE		NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS		TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE		TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]	
		☐ Yes ☐ No				☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]							
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?						☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?						☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?						☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?						☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?						☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B
TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

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

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

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

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

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
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:

80/20	or	90/10	
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	
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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprises owned by black people (must be included as a specific goal)	Maximum 8 points ○ 100% Black ownership – 8 points ○ Less than 100% and above 51% Black ownership – 4 points ○ Less than 51% Black ownership – 0 points Proof of ownership must be verified by either one of the following documents: CIPC Certificate, Valid B-BBEE Certificate & CSD report	
Enterprise owned by women, youth, or military veterans, people living with disabilities.	Maximum 8 points BLACK WOMEN OWNED ENTERPRISE ○ 100% Black women enterprise – 4 points ○ Less than 100% and above 51% Black women enterprise – 2 points ○ Less than 51% Black women enterprise – 0 points BLACK YOUTH and MILITARY VETERAN ENTERPRISE ○ 100% Black youth - 2 points ○ Military Veteran enterprise – 1 point ○ Less than 100% Black youth and Military Veteran enterprise – 0 point DISABILITY OWNED ENTERPRISE	

	○ 20% or more enterprise with disability – 1 point ○ Less than 20% enterprise with disability – 0 point Proof of points claimed must be verified by the following documents: CIPC Certificate, ID Document, CSD report, medical report by the medical practitioner for disability, Military Force Number	
Enterprise location	Maximum 4 Points - Within North-West Province – 4 points - Outside North-West Province – 2 points	

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 because 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 because of that person's conduct.
 - (c) cancel the contract and claim any damages which it has suffered because 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:	



TERMS OF REFERENCE

NWHC: 09/2024

**REQUEST FOR A PROPOSAL FROM SUITABLE
SERVICE PROVIDER FOR THE DESIGN AND
CONSTRUCTION OF BULK SERVICES FOR
MARIKANA EXT 13 OF ON BEHALF OF THE
NORTH-WEST HOUSING CORPORATION
(NWHC).**

1. BACKGROUND

The North-West Housing Corporation (NWHC) is a schedule 3(c) Public Entity in terms of the Public Finance Management Act ("PFMA") No.1 of 1999, and it was established in terms of the North-West Housing Corporation Act 24 of 1982 as amended (the NWHC Act)

The Corporation was established by the NWHC Act, for the purposes of providing and furthering the provision of housing and accommodation in the Province on a coordinated basis and on a national scale and assisting in the formation of policies to achieve these objectives, to provide for the management, control and representation of the said Corporation by a Board of Directors, to define the powers, functions and duties of the said Corporation, and to provide for incidental matters.

2. BACKGROUND TO ASSIGNMENT / PROCUREMENT

The North-West Housing Corporation seeks to secure the services of competent Service Provider for the **Design and Construction of Bulk Services in Marikana Ext 13 in the jurisdiction of Rustenburg Local Municipality** according to South African National Standards.

The appointment will be based on the Housing Corporation Procurement Process, which is transparent, competitive, fair and equitable and in line with then current common law contract and the attached bid forms as well as other conditions which may be applicable.

The project is intended to be within the 2024/2025 financial year and the Developer is supposed to provide a delivery schedule and a cash-flow projection based on the attached Delivery Schedule and Cash-Flow Template provided.

3. TERMS OF ENGAGEMENT

- 3.1. The appointed service provider will be expected to enter into a Service Level Agreement with NWHC.

4. CONFIDENTIALITY CLAUSE

- 4.1. The Developer undertake, at all times during the existence of the contract or after termination thereof, not to reveal any confidential or sensitive information or knowledge concerning the North-West Housing Corporation or clients of NWHC.

4.2. Intellectual Property Rights

- 4.2.1. All Copyright and Intellectual Property Rights that may result as consequences of the work to be performed will become the property of the NWHC.
- 4.2.2. Appointed Developer must hand over all documents and information in any format, including copies thereof, that it received from NWHC or that it had access to during the assignment immediately after completion of the assignment to the NWHC.
- 4.2.3. Appointed Developer shall deliver to NWHC, on completion of an assignment, any security devices, password or protective mechanism to the soft versions of documents that were written and the NWHC will have the right to amend and change these without obligation whatsoever to the Service Provider upon completion of the assignment.

4.3. PROJECT BACKGROUND

This project formulates from an agreement that the North-West Housing Corporation has signed with the North-West Department of Human Settlements. The Aim of the project being to address the need for development to address the backlog of human settlement development in Rustenburg Local Municipality.

The project which is a series of project which will be implemented in different stages is a multi-year project that looks at the Design and Construction of Bulk Services in Marikana Ext 13. The construction of bulk will be addressing the need an approximate four thousand units in different typologies.

5. PROJECT SCOPE

The Design and Construction of Bulk Services in Marikana Ext 13 must be in accordance with the requirements of the Guidelines for Human Settlement Planning and Design, National Housing Code, South African National Standards and must comply with the vision of the Department of Human Settlements in terms of settlement sustainability and compliance with Breaking New Grounds (BNG) Principles and the services must be approved by the municipality prior to installation and handed over to the municipality on completion together with "As Built Drawings."

5.1. DETAILED PROJECT SCOPE

The North-West Housing Corporation has 11 mega projects that are being implemented in the North-West Province. A common challenge that has been noted is the lack of supply of Bulk Engineering Services in the towns where these projects are to be implemented.

In lieu of the above, the North-West Housing Corporation is inviting suitable developer on a turnkey basis to assist with the Design and Construction of Bulk Services in Marikana Ext 13 which is to cater for approximately 8000 BNG units.

It should be noted that the developer must produce bankable water sourcing plan that would be submitted to consideration of funding to different funders and once funding has been approved the developer would then be able to receive payment and be approved to undertake design and implementation of the plan.

6. PROJECT OBJECTIVES

The Comprehensive Town Planning Layout Plan should re-state the vision of the Department of Human Settlements contained in the Housing White Paper of 1994. *"To promote the achievement of a non-racial, integrated society through the development of sustainable human settlement and quality housing."*

To achieve this vision, the following objectives must be met:

- Accelerate the delivery of housing as a key strategy for poverty alleviation
- Utilize the provision of housing as a major job creation strategy.

- Combat crime, promote social cohesion and improve quality of life for the poor,
- Utilize housing as an instrument for the development of sustainable human settlement in support of spatial restructuring.

7. PROJECT FINANCIAL PROPOSAL

The following table illustrates the project financial implications as per the determined applicable norms and standards i.e. **1.** Total Project Cost appointed for will be determined from the best financial model that would be submitted and the strategy that presented before the North-West Housing Corporation.

8. REPORTING REQUIREMENTS

The service provider is expected to furnish the North-West Housing Corporation with the following list of report during the implementation phase.

8.1. Priced Bill of Quantities

The priced Bill of Quantity to be evaluated and used as a measuring tool of the work done.

8.2. Monthly Reports

The developer must submit monthly progress reports to the North-West Housing Corporation.

8.3. Close-Out Report

The developer must on completion of work and before the final account submit a close out report.

8.4. The Developer must be a contractor or have a joint venture with a contractor which has the at least a minimum CIDB registration of 9 CE

The services to be constructed should comply with the following manuals-

- **Red Book Human Settlements Volume 1 and 2**

9. FAILURE TO COMPLETE WORKS ON TIME

If the Service Provider fails to deliver as agreed in the agreement the contract will be subject to review and that will lead to contract termination.

10. KNOWLEDGE AND EXPERTISE

The Developer must have a traceable record of success and timeous delivery of similar assignments of projects.

The Developer must have the capacity to provide a core team that will be responsible for the day-to-day project management at all levels and will have to be maintained for the duration of the contract.

The core team should be able to demonstrate their understanding and knowledge and expertise on civil and structural construction of projects of similar nature.

11. PROJECTS EXECUTION EXPERIENCE

Bidders to provide any work carried out during the past 7 years of operation to show the companies record Project and Construction Management experience as per the table below. They will be required to duplicate this sheet to supply information for all the projects that their company has been involved in (Current and completed)

PROJECT NAME	
SCOPE OF WORK	
CLIENT	
CONTACT PERSON AND DETAILS	
VALUE OF CONTRACT	

START DATE	
COMPLETION DATE	
ATTACH COMPLETION CERTIFICATE	

12. TECHNICAL TEAM EXPERIENCE

Bidders to provide any of the Professional Team Member (s) who will be responsible for the project stating their responsibilities as per the table below. They will be required to duplicate this sheet to give details of all professional team member required for the implementation of the project.

NAME OF PROFESSIONAL	
PROFESSIONAL REGISTRATIONS	
REGISTRATION NUMBER	
BRIEF DESCRIPTION OF SPECIALIZATION AREAS	
RESPONSIBILITY ON THIS PROJECT	

13. DETAILED IMPLEMENTATION PLAN

Bidders are required to give a **detailed implementation plan** which will reflect that they have clearly understood the complexity of the task at hand clearly giving the **realistic time frames** for each activity and the resources allocated to ensure that each activity is achieved within the stipulated time frames.

This implementation plan will form an annexure to your contract, and you will be required to implement the project according to this implementation plan

14. DELIVERY SCHEDULE

Bidders are required to give a detailed delivery schedule for top structure and or services installation delivery as stated in the scope of works. This delivery schedule will be linked to your cash-flow projections.

This delivery schedule will form an annexure to your contract, and you will be required to deliver the project according to this delivery schedule.

15. CASH FLOW PROJECTIONS

Bidders are required to give detailed cash flow projection which is linked to the delivery schedule. This cash flow projection will form an annexure to the service level agreement, and you will be required to spend according to your cash flow projections.

16. EVALUATION CRITERIA

The evaluation process will be conducted in stages as follows:

16.1. Stage 1: Compliance with Mandatory and other Bid Requirements

Stage 1.1: Compliance with Other Bid Requirements

- ✓ Invitation letter to bid
- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.1: Pricing Schedule- Firm Prices
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2022
- ✓ General Conditions of Contract (initialized each page)
- ✓ Special Conditions of Contract
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ CIPC Certificate

- ✓ Valid B-BBEE Certificate / Affidavit
- ✓ Confirmation of force number from DMV to claim military veteran points
- ✓ Confirmation of disability by the Medical Practitioner to claim disability points
- ✓ Proof of residence
- ✓ In case of a joint venture the following documents to be submitted
 - Consolidated B-BBEE Certificate (if not consolidated preference points will be 0)
 - Valid Tax Clearance Certificate of all parties

Stage 1.2: Compliance with Mandatory Requirements

- ✓ Valid CIDB registration with a minimum Certificate of 7CE
- ✓ Detailed Company profile
- ✓ In case of a joint venture the following documents to be submitted
 - Valid joint venture agreement signed by all parties and witnessed
 - Certificate or authority for Joint Ventures (where applicable)
 - Valid CIDB registration Certificate of all companies involved in a Joint Venture
 - Detailed Company profile of all parties

Failure to comply with these Mandatory requirements will lead to immediate disqualification.

16.2. STAGE 2- FUNCTIONALITY

For a bid to be responsive the minimum points for functionality shall be **SIXTY POINTS** (60 Points). Any bid with less than sixty points will be disqualified and no further evaluation of the bid will be done.

WEIGHTS AND VALUES FOR THE FUNCTIONALITY CRITERIA					
1 = Poor		2 = Fair	3 = Good	4 = Very Good	5= Excellent
NO.	DESCRIPTION OF SPECIFIC COMPETENCIES				WEIGHTS
1.	Qualification of key project team personnel involved on the project. Please attach copies of certificates and CVs.				20

	• Professional Civil Engineer/Technologist. Registration Certificate(s) + CV(s) to be attached.	5	
	• Professional Civil Engineering Technician + CV(s) to be attached.	4	
	• Civil Engineer/Technologist. Certificate(s) + CV(s) to be attached.	3	
	• Engineering Technician Certificate(s) + CV(s) to be attached.	2	
	• CV(s) without any attachment of qualifications mentioned above.	1	
	All bidders must submit CV's, Qualification or Registration Certificates for the proposed professional teams to be deployed on the project. If they outsource the service, they must also attach the same documentation and in all cases the relevant professionals must write a letter of consent with contact details for verification that they will be working on the project.		
2.	Proven track record on previous projects experience of a similar nature (Physical verification of completed projects may be conducted by the department)		20
	• 5 or more similar projects completed	5	
	• 4 similar projects completed	4	
	• 3 similar projects completed	3	
	• 2 similar projects completed	2	
	• 1 similar project completed	1	
	The bidder must submit all details of all projects with reference supplied for verification purposes		
3.	Approach, Methodology and Implementation Plan.		20
	Construction Process, Safety Requirements and application of SANS	5	
	Construction Process and Safety Requirements	3	
	Construction Process only or no information	1	
4.	Detailed Work Programme and Delivery Schedule		20

	Work breakdown structure, resource management plan and delivery schedule	5	
	Work breakdown structure and delivery schedule	3	
	Delivery schedule or no information	1	
5.	Financial capacity: Companies will be verified on the level of financial ability to execute the project. Reviewed/Audited Statement of profit or loss for the past two financial years. Balance sheet/statement of financial position for the past two financial years.		20
Financially stable. (5)	Improved financial capacity. (4)	Declined/unsure financial status, will be determined by a decline in any of the evaluation criteria or lack of information to conclude (2)	Non submission of information/ financial statements that are not reviewed or audited (1)
Increase in turnover from previous year.	Increase in turnover from previous year.	Decrease in turnover from previous year.	
Current ratio of 2:1 for both years.	Current ratio of 2:1 for the latest year.	Current ratio of below 2:1 for both/latest year.	
Liquidity ratio exceeding 1 for both years.	Liquidity ratio exceeding 1 for the latest year.	Stagnant decrease from the previous year on Liquidity ratio.	
TOTAL POINTS FOR FUNCTIONALITY			
100			

16.3. Evaluation Stage Three: Price and Specific Goals (10)

Bids will be evaluated applying the 90/10 preference points system in accordance with the PPPFA Regulations of 2022, where points are awarded to bidders based on Price (90) and Specific Goals (10), using the following formula to calculate points for price:

Table 1 – Price and Specific Goals

CRITERIA	SUB-CRITERIA	WEIGHTING/POINTS
Price	Detailed Budget Breakdown	90
Specific Goals	Specific Goals Contributor	10
TOTAL		100

- The Proposal will be evaluated as per latest PPPFA regulations.

IDENTIFICATION OF PREFERENCE POINT SYSTEM 90/10 PREFERENCE POINT SYSTEM FOR ACQUISITION OF GOODS OR SERVICES WITH A RAND VALUE ABOVE R50 MILLION

The following formula must be used to calculate the points out of 90 for price in respect of an invitation for tender with a Rand value greater than R50 million, inclusive of all applicable taxes:

Where:

Ps = Points scored for the price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

$$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

A maximum of 10 points may be awarded to a tenderer for the specific goals specified in the tender as per paragraphs 9.2.-9.3.

The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.

Subject to section 2(1)(f) of PPPFA, the contract must be awarded to the tenderer scoring the highest points.

17. SPECIFIC GOALS

17.1.1.1. The Entity must, in the tender documents, stipulate:

17.1.1.2. The applicable Preference Point System as envisaged.

17.1.1.3. The Specific Goal in the invitation to submit the tender for which a point may be awarded; and

17.1.1.4. The number of points that will be awarded to each goal, and proof of the claim for such a goal.

17.1.1.5. The specific goals applicable to the North-West Housing Corporation for all procurement transactions and income generating below R50,000,000 inclusive of all applicable taxes based on the 80/20 points system are:

Stage 1	Stage 2	Stage 3
Mandatory and other bid requirements	Functionality	Preference point system
Compliance with mandatory and other bid requirements	For a bid to be responsive the minimum points for functionality shall be sixty (60) points. Any bid with less than sixty points will be disqualified and no further evaluation of the bid will be done.	Bids will be evaluated in terms of the 90/10 preference point system: 90 – Price 10 – Specific goals - Enterprises owned by Black people – - B-BBEE status level 1 – 5 points - B-BBEE status level 2-8 and non-compliant contributor – 0 points - Enterprise owned by - Women – 1 point - Youth or Military veteran– 1 point (confirmation of force number from DMV)

		○ People living with disabilities – 1-point Medical Practitioner confirmation of disability) 3. Enterprise location – 2 points ○ Within North-West Province - 2 points (Proof of residence and confirmatory CSD report) ○ Outside North-West Province – 1 point
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18. BID/PROPOSAL SUBMISSION

18.1. The format of the bid proposals to be submitted shall comprise cover letter and the following documents:

- a. Returnable bid document with all the required documents fully completed and signed.
- b. Original and Valid Tax Clearance Certificate.
- c. Detailed cost breakdown schedule.
- d. Reference letters with contact details on a company letterhead and/or stamped.
- e. Company registration documents.
- f. Company profile that illustrates the core business, services offered, and staff compliment.
- g. Comprehensive methodology and Implementation plan.
- h. Summary of verifiable previous projects with contact details of the project owners.
- i. Latest Municipal bill.

19. CANCELLATION

19.1. NWHC reserves the right to cancel the contract if the service provider fails to adhere to the conditions of the contract.

19.2. On termination of the contract for whatever reason, the service provider shall on demand deliver, without the right to retention all documents and information (soft and hard copies) gained of this agreement.

HEAD OFFICE:

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Annexure A

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
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11. Insurance
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27. Settlement of disputes
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30. Applicable law
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33. National Industrial Participation Programme (NIPP)

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.

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| 2. Application | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>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.</p> <p>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</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| 6. Patent rights | <p>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.</p> |
| 7. Performance security | <p>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.</p> |

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

**8. Inspections,
tests and
analyses**

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

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

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

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.