

APPOINTMENT OF A SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE TENDER NO. DEDaT 0003/2025 FOR 3 YEARS



Economic Development & Tourism

Department:
Economic Development & Tourism
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

REQUEST FOR BID: DEDaT 0003/2025

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1. INTRODUCTION AND BACKGROUND

As an economic agglomeration of interconnected firms, cluster formation is a point of growth or an important factor in the sustainable social and economic development of a region. The cluster policy, firstly, creates the conditions that help activate innovation activity in the real sector of the economy and its modernisation for the formation of technological leaders. Secondly, in the conditions of insufficient resources and inconsistent policy of the state, this policy allows to solve the acute social problems of a particular region. According to modern global economic trends and the priorities of the development of society, social development becomes a strategic goal that provides stability and competitiveness of a specific territory.

Industrial clusters, which include the machinery and equipment production, are a group of geographically localised interrelated companies, integrated into the production chain, within which the final product and added value are created. Within an industrial cluster, an active exchange of information between interrelated economic entities takes place, and the conditions for their economic activity are coordinated. The cluster mechanism allows to reduce the element of uncertainty and provides a high degree of foresight of the market situation for the cluster participants. The initiative to form and develop industrial clusters should come from the private sector with the support of the national, provincial and local government bodies that should promote the institutional development of clusters, including organisational support for cluster creation.

A cluster model of innovation development, where an active role is played by companies of the machine-building complex, can be based on:

- the integration interaction of companies located in a certain territory (for example, in the Northern Cape region),
- the integration interaction of companies of different industries, connected by a single industrial and technological chain.

2. PURPOSE AND OBJECTIVES

The Department seek to appoint a professional service provider to set up an industrial cluster and a service help desk to support the Metals, Machinery and Equipment (“**MME**”) and related sectors in the Northern Cape. Precisely, this entails the accelerated establishment of a functional and sustainable

Industrial Cluster Management Office [ICMO] and a technology driven Industry Support Centre [ISC] for the MME and related sectors including allied services sectors.

Through this combined approach to develop, support and monitor the MME and allied industrial sectors in the province, DEDaT hopes to enhance the competitiveness of the sectors through various intervention drawn from both private and public sector institutions, while at the same time fostering an environment of collaboration among the value chain actors. In addition, through the technology driven industry support centre platform, the firms operating in the target sectors will be able to log the details of the business distress they confront, their nature and root cause.

The firm level distress information will then be utilised to mobilise assistance programmes available within the broader public sector establishment and private sector stakeholders – government department and agencies like the DTIC, DSBD, IDC, DBSA, CSIR PtSA, Industry Associations, Mining Houses, Local Government.

Specifically, the objectives of the industry support centre are as follows:

- i) ensure early warning mechanism to enable the province to detect distressed companies that may lead to plant closures and eminent job losses
- ii) increase resource capacity (appointment of service provider to support calls from companies) to enable DEDaT to provide fast tracked support to companies facing challenges
- iii) provide a systematic, traceable and scalable approach for interventions linked to the real economy
- iv) mitigation of risks associated with distressed companies e.g. finances, challenges with governmental institutions etc.

3. POLICY REGULATORY AND LEGISLATIVE FRAMEWORK

All regulations, policies, acts, frameworks, procedures and any tort of law applicable must be adhered to and in full compliance. They are listed below:

- The South African Constitution
- Public Finance Management Act (Act 1 of 1999)
- Preferential Procurement Policy Framework Act (PPPFA) 2000 (Act 5 of 2000); and Preferential Procurement Regulations, 2022
- Treasury Regulations

- National Environmental Management Act (NEMA) 1998 (Act 107 of 1998)
- Prevention and Combating of Corrupt Activities Act (PCCAA) 2004 (Act 12 of 2004)
- Supply Chain Management Practice Notes and Circulars
- Broad-Based Black Economic Empowerment Act (BBBEEA) 2003 (Act 53 of 2003)
- State Information Technology Agency (SITA) Act (Act 88 of 1998)
- Competition Act (CA) 1998 (Act 89 of 1998)
- Foreign Corrupt Practices Act, 2004
- Control of Access to Public Premises and Vehicle Act 53 of 1985
- Criminal Procedure Act 51 of 1977 sections 20,23(b),24,29,42,46,48,49,50,51
- National intelligence Act of 1994
- The application of the minimum information security standards (MISS)
- Trespass Act
- Occupational Health and safety Act
- Private Security Industry Regulatory Authority
- Protection of Personal Information Act (POPI Act- POPIA)
- Northern Cape Manufacturing Strategy
- Northern Cape Provincial Growth and Development Plan (PGDP – Vision 2040)
- National Industrial Policy Framework
- Spatial Industrial Development Strategy (Draft)
- The South African Steel and Metal Fabrication Masterplan

4. METHODOLOGY

The service provider is required to outline the methodology that will be utilised to comprehensively respond to these terms of reference.

5. PROJECT SCOPE

The scope of work includes the following:

Phase I: Project conceptualisation and inception

Service provider is required to work with DEDaT to develop a concept document that outline the following:

- Medium-term strategic plan with clear objectives

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- Operational plan and financial plan (indication cost structure and revenue streams) for the first year of operation
- Potential funding source e.g. baseline funding mainly public co-financing by national, provincial and local government.
- Framework for technology driven support centre, indicating the key services e.g. policy advocacy; workforce upgrading and skills development; domestic and international market access; innovation support, technological advancement and new product development; firm level distress diagnosis and remedial measures.
- Branding, marketing and awareness plan to embed inclusivity of support services to companies with relevant stakeholders and within the holistic value chain

Phase II: Advise on the establishment of a suitable juristic entity and fully functional governance frameworks and operating structure

- Recommend the most suitable legal form
- Advise on the relevant registration documents like the memorandum of incorporation
- Advise on the approach leading to the establishment of a competent a board of directors
- Support registration with the relevant authorities

Phase III: Create a roadmap to navigate from concept to implementation at an accelerated pace from inception to hand over

- Detailed timeline and workplan outlining project activities and deliverables over the thirty -six (36) months of the assignment for the industrial cluster and support centre
- Outline the salient areas of interventions, content, objectives, outcomes and responsibilities of the main stakeholders of the industrial cluster and support centre

Phase IV: Configure, test, deploy and maintain the Industry Support Centre (ISC) Technology Platform with early detection system for distressed companies in MME and allied sectors which will include the following activities:

- All information will be registered in an electronic database.
- Generation of a status / status report on each distress call.
- Generation of a summative report weekly and monthly on distress calls. – Access rights administered by DEDaT.
- Refine and amend criteria to apply before supporting a company in distress.
- Training support for this system if and when required by the officials of the Department.
- 24hr Back-end support for the ISC for any distress call logged.

- Development and approval of service standard for relevant stakeholder linked to the system.
- Monitor availability of support centre monthly (Uptime > 95%)

Phase V: Set up an Investigation and Intervention framework

- Due diligence to be conducted by service provider on distress calls linked to an enterprise.
- Service provider to generate a report and intervention plan on investigation - Intervention Plan must be separated into Governmental- and service provider specific support activities.
- Intervention plan to be authorized by DEDaT and relevant stakeholders for implementation.
- If required, service provider to source industrial specialists to support company specific requirements.
- Service provider to generate close out report after finalization of intervention plan activities.
- DEDaT and service provider to have close out meeting with relevant company impacted by interventions.
- The impact of intervention plan to be shared with DEDaT management and stakeholders at Project Steering Committee (PSC) meetings.

Phase VI: Branding, marketing and comprehensive awareness campaign

- Detailed implementation plan for awareness raising of the industrial cluster and support centre within the Northern Cape and its five (5) municipal districts
- Provide a Marketing and Brand Development Plan for the industrial cluster and support centre

Phase VII: Provide Secretariat Services

- Provide secretariat and project management support to the DEDaT project team
- Take minutes during project team meetings, general/ political briefings and workshops.
- Provide reports when required on key aspects of this project.

6. DELIVERABLES

The service provider is expected to deliver the following specific outputs:

Year 1

- Deliverable I: Concept documents outlining the medium-term strategic plan, operational and financial plan, framework for industry support centre and branding and marketing plan
- Deliverable II: Viability of registration of ICMO and supporting registration documents
- Deliverable III: Annual work plan
- Deliverable IV: Potential website for ICMO that includes the Industrial Support centre platform
- Deliverable V: Reporting documents i.e. four quarterly reports and an annual report

Year 2

- Deliverable VI: Planning, budgeting and reporting documents i.e. annual work plan, four quarterly reports and an annual report

Year 3

- Deliverable VII: Planning, budgeting and reporting documents i.e. annual work plan, four quarterly reports and an annual report

NB: The bidders will be required to submit specific timelines and costing for the outputs and deliverables above.

7. REQUEST FOR BID TERMS AND CONDITION

The following guidelines are provided to assist a Bidder in completing a response:

- 7.1. The bid should be written in simple English for easy understanding and perusal.
- 7.2. Over and above all conditions stipulated by the Provincial Supply Chain Management, Bidders are advised to familiarize themselves with the following policy document:
 - 7.2.1. PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000, (ACT NO.5 OF 2000) and the PREFERENTIAL PROCUREMENT REGULATIONS, 2022. (PPR,2022)
- 7.3. The terms and conditions specified in this bid must be read in conjunction with the PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000, (ACT NO.5 OF 2000) and the PREFERENTIAL PROCUREMENT REGULATIONS, 2022 obtainable at <http://www.ocpo.gov.za> and which forms an integral part of this Bid. Prospective service providers are advised to familiarize themselves with the contents of the Act.
- 7.4. All costs incurred in the preparation and presentation of the Bid shall be wholly absorbed by the Bidder.
- 7.5. All information, supporting materials and other documentation submitted with the Bid will become the property of the Northern Cape Department of Economic Development and Tourism.
- 7.6. All prices must be South African Rand (ZAR), including VAT. All prices must be valid for a period of 120 days from date of submission.
- 7.7. DEDaT shall not be liable for any costs incurred by the Bidder in the preparation of response to this Request For Bid. The preparation of response will be made without obligation to acquire any of the items included in the Bid to discuss the reasons why such Bid or any other bid was accepted or not.

- 7.8. All invoices shall only become payable within 30 days upon receipt of an invoice by DEDaT.
- 7.9. No interest shall be payable in the event of a dispute nor accrue on any payments due during a period of dispute.
- 7.10. Responses received after the specified due date and time will not be accepted under any circumstances.
- 7.11. The lowest or only bid would not necessarily be accepted by the DEDaT and as such, the DEDaT reserves the right to accept any or no bid at all.
- 7.12. The DEDaT reserves the right to enter negotiations with preferred Bidders under the conventions embodied in the principles of "Best and Final Offer" (BAFO).
- 7.13. The terms of the general condition of contract (GCC) forms the general basis of the contract which will be further espoused in the special condition of contract (SCC) in the form of a service level agreement (SLA).
- 7.14. The Department will become the owner of all information, documents, programmes, advice and reports collected and compiled by the service provider in the execution of this tender.
- 7.15. The copyright of all documents, programmes and report must be regarded as confidential and may not be made available to any unauthorized person or institution without the written consent of the Department.
- 7.16. The Department reserves the right to terminate this appointment or temporarily defer the work, or any part thereof, at any stage of completion should the Department decide not to proceed with the tender.
- 7.17. The service provider must be a single legal entity bidding for this tender. The service provider may secure other necessary expertise on their own related to this tender. The Department will enter into a single contract with a single entity for the delivery of the work set out in this tender.
- 7.18. The bidding entity shall be the same entity that will execute the bid. Any bid found to be fronting for another entity or entities shall be disqualified immediately.
- 7.19. Bidders may ask for clarification on these tender documents or any part thereof 7 days before the closure of the bid.
- 7.20. Bidders may not contact the Department on any matter pertaining to their bid from the time when the bids are submitted to the time the contract is awarded. Any effort by the bidder to influence bid evaluation, bid comparison or bid award decisions in any manner, may result in rejection of the bid concerned.
- 7.21. After the closure of the bid the Supply Chain Management Unit (SCM) will open the bids and draft

a long list of all received bids. Thereafter service providers who are non-responsive who do not meet the stipulated functionality evaluation criteria per the terms of this bid will be disqualified.

7.22. At any time prior to the deadline for submission of bids, the department may for any reason whether at its own initiative or in response to a clarification requested by a service provider, modify the tender document. The Department may, at its discretion extend the deadline for submission of bids by amending the bid documents.

7.23. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the validity period.

8. REQUEST FOR BID REQUIREMENTS

Companies responding to this bid are required to submit the following information:

8.1. The following will be the minimum requirements that must be disclosed in the bid and if bidders fail to comply with these minimum requirements will be disqualified

8.1.1. General background relating to the organisation/company/business

8.1.2. The name and contact details (telephone and/or mobile, fax, email, and postal address) of the project leader (on the front cover of the bid).

8.1.3. Particulars of project team members who will be involved in the project on an on-going basis (including qualifications and experience –CV's to be included) and a breakdown of race, gender, and disability.

8.1.4. The name of company, business addresses and contact details.

8.1.5. Overview of the organisation's capabilities and experience, i.e., credentials

8.1.6. How long have you been in business

8.1.7. What is your company's core business, and how long has this been your core business

8.1.8. What is the total complement of your staff, and what is the statistical breakdown in terms of gender and previously disadvantaged individuals

8.1.9. What is the complement of your management and technical staff, and what is the numerical breakdown in terms of gender and previously disadvantaged individuals

8.1.10. Provide details of clients who make use of products and services similar to the ones you offer in this bid, including names, contact persons and the nature of the services.

8.1.11. The taxes of the successful Bidder must be in order, or satisfactory arrangements must have been made with the Receiver of Revenue to meet his/her tax obligations. This information must be clearly updated on the CSD.

- 8.1.12. In bids where Consortia / Joint Ventures / are involved, each party must have a separate Tax Clearance Certificate, complete SBD 4 and have a consolidated CSD profile.
- 8.1.13. In the event of a consortium, details of roles and responsibilities of each party are to be provided and the overall management structure of the consortium and business model thereof.
- 8.2. Bidders will be required to make a presentation to the Bid Evaluation Committee
- 8.3. Any other additional information to strengthen your bid will be considered.
- 8.4. The Standard bidding documents to be completed SBD 3.1, 4 and 6.1, must be completed in full and the signed declaration forms must be attached to the bid.

Table 1 Standard Bidding Documents

SBD 3.1	Pricing schedule – firm prices
SBD 4	Declaration of interest
SBD 6.1	Preference points claim

8.4.1. Registration on Central \Supplier Database (CSD)

All prospective bidders must be registered as a service provider on the Centralized Supplier Database. If you are not registered proceed to complete the registration of your company prior to submitting your bid. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database is updated and valid. Attach a copy of the CSD registration “Detail Report” to your bid.

9. EVALUATION CRITERIA

The two-envelope bidding process will apply i.e. the technical proposal will be evaluated before the financial proposal is opened for all bidders who qualify on functionality. The technical proposal must be separated from the financial proposal but both envelopes must be submitted at the same time. The SBD 3.1 must be submitted with the financial proposal envelope. The evaluation will be done as follows:

- i. Phase I – Mandatory compliance
Mandatory compliance verification (SCM and other parts of the terms of reference).
- ii. Phase II - Functionality assessment
The functionality assessment involves evaluating the capabilities and abilities of the service provider to undertake the contract. The cut-off for functionality is 70%. Bidders who fall below the 70% threshold will be disqualified

iii. Phase III

Bid Pricing i.e., 80/20 principle. 80 for price and 20 for the Departmental specific goals

9.1. MANDATORY COMPLIANCE

The appointment of the successful Bidders will be based on the mandatory compliance and the other evaluation criteria as stipulated further in this Terms of Reference (TOR). During this phase Bidder's response will be evaluated based on the mandatory requirements indicated hereunder.

9.2. FUNCTIONALITY ASSESSMENT

The Technical Bid Assessment will carry 100 points based on the criteria below.

Table 2 Functionality Assessment Criteria

No.	Criteria	Methodology criteria requirement	Rating	Weight	Total
1.	Proposed methodology	Understanding of the requirements of the scope of work; Motivation for the chosen methodology including pros and cons		5	
		Activity-based plan aligned to scope of work, deliverables, timelines, and experts		5	
		Step-by-step explanation of the proposed process to reach the result		5	
		Appropriate techniques/models/tools that would maximise the participation rate of the key stakeholders e.g., individual firms, industry associations and relevant government departments;		5	
		A list of target stakeholders, which will be engaged in the process; and Effective stakeholder facilitation and engagement model		5	
2.	Relevant experience	The company's years of experience or project leaders experience in the event of a consortium or joint venture. Refer to table 4		15	
		Verifiable clients. Refer to table 5		5	
		Understanding, knowledge, and proven experience in industrial cluster, setting up and management of a technology driven industry service help desk/support centre to support firms and effectively responding to		15	

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		needs of firms in distress to prevent company closures and job losses. Refer to table 6			
3.	Key expertise, qualifications, and experience	Number of years of experience of key personnel. Refer to table 8		5	
		Qualification. Refer to table 7		5	
		Number of key personnel. Refer to table 8		5	
		Substantiate expertise with similar or previous projects with references completed by team members. Refer to table 9		5	
4.	Skills transfer plan	Demonstrate ability to transfer skills with a plan. Refer to table 10		10	
5.	Locality	Refer to table 11		10	

Table 3 Methodology Evaluation Tool

Bidders will be invited to make a presentation to the Bid Evaluation on a proposed date and time.

Description	Rating
Does not satisfy the minimum requirements. Non compliance	0
Satisfies the requirement with major reservations. Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services, with little or no supporting evidence.	1
Satisfies the requirement with minor reservations. Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services, with little or no supporting evidence.	2
Satisfies the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services, with supporting evidence.	3
Satisfies the requirement with minor additional benefits. Above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	4
Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	5

Relevant experience

- The service provider must demonstrate with evidence, a proven track record in implementing industrial cluster development and management within a public sector and with experience in assisting industrial enterprises in distress through help desks linked to public and private sector intervention instruments.

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- Provide minimum of 3 Service Level Agreements, contracts or Purchase Orders of Industrial Cluster Management and Industrial Help Desk Management.
- Provide a minimum of 2 live case study of a technology-based platform built for a region or sector specific provincial Industrial Cluster and Industrial help desk.
- The bidder must demonstrate knowledge of government policies, programmes, plans and legislation around industrial cluster development clearly illustrating how they relate to the economic development context of South Africa.
- Furthermore, the bidder is required to have a firm grounding in the practical linkages between government policy and legislation and the real economy, including the translation of government policy into business commitments.
- The bidder is required to provide references in the public and private sector, preferably in the public sector that demonstrates support, experience, knowledge in establishing and managing industrial clusters.

Table 4 Experience Evaluation Tool

Criteria	Rating
0 - 3 Year	0
4 - 6 Years	1
7 - 8 Years	3
9 - 10 Years	4
≥11 Years	5

Table 5 Verifiable Industrial Clusters Established and Managed Evaluation Tool

Indicator	Rating
Did not submit any client or contract or contact details within government or case study. Non compliance	0
Submitted one contract with only one corresponding correct contact details within government. Submitted one case studies.	1
Submitted two contracts with only two corresponding correct contact details within government. Submitted two case studies	2
Submitted three contracts with only three corresponding correct contact details within government. Submitted three case studies.	3
Submitted four contracts with only four corresponding correct contact details within government. Submitted four case studies.	4
Submitted five contracts with only five corresponding correct contact details within government. Submitted five case studies	5

Key expertise

- The bidder's proposed team members must have a clear understanding of the Cluster Development Programme (CDP) and the National Integrated Small Enterprise Development (NISED) Master Plan of the Department of Small Business Development (DSBD)
- The proposed team must have a minimum of five (5) members including the team leader. The team members are required to have a minimum post-graduate qualification in the field of Commerce, Engineering and ICT.

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- In addition, the team must have relevant complementary skills. The team members should have a minimum of fifteen (15) years' proven track record and experience in (i) establishing and managing industrial clusters (ii) setting up and deploying technology driven support centres with live helpdesk, ticketing and reporting features.
- To substantiate, the bidder must submit a minimum of three (3) similar previous projects with references.
- The bidder must submit the following: CVs of the team members which clearly highlight qualifications, areas of experience / competence relevant to the tasks and objectives of this project as well as similar projects led as outlined above. Case studies detailing the type, the period, the magnitude and the results of the projects.

Table 6 Experience in Industrial Cluster Management and Support Centre Deployment Evaluation Tool

Criteria	Rating
0 - 3 Year	0
4 - 6 Years	2
7 - 8 Years	3
9 - 10 Years	4
≥11 Years	5

Table 7 Qualification Evaluation Tool

Qualification in the following fields:

- Commerce
- Engineering
- ICT

Indicator	Rating
No member has a post graduate. Non compliance	0
All team member has an honours degree with proof	1
Two team members have an honours degree and with proof	2
Two members have an honours degree and a master's degree with proof	3
Two members have an honours degree and other two members have a master's degree with proof	4
Two members have an honours degree; other two members have a master's degree and additional member has a PHD with proof	5

Table 8 Number of key personnel Evaluation Tool

Criteria	Rating
0	0
1	1
2	2
3	3
4	4
≥5	5

Table 9 Substantiate expertise by the team members Evaluation Tool

Indicator	Rating
Did not submit any project by team members with contact details.	0
Submitted one project by team members with contact details.	1
Submitted two projects by team members with contact details	2
Submitted three projects by team members with contact details.	3
Submitted four projects by team members with contact details.	4
Submitted five or more projects by team members with contact details.	5

Skills transfer plan

As part of their submission, the bidder is required to provide a skills transfer plan to build the DEDaT human resource capacity. As a minimum, this should involve providing research training for three (3) nominated staff member(s) of the DEDaT.

The bidder is required to outline a detailed skills transfer plan as part of this proposal which will include, amongst others, the following: An actual plan of how skills will be transferred and associated timelines throughout the project implementation process. Indication of the stages during the work where the DEDaT officials will be involved; and indication of skills, which they will acquire therefrom.

This is to adhere to the circular "Findings of the Auditor-General's report on the use of consultants at selected National Departments" issued by the Department of Public Service and Administration (DPSA). It is stated in the circular that "contracts for the use of consultants should be tied to training and transfer of skills from consultants to departmental staff and that this provision should be optimally applied and monitored."

Table 10 Skills transfer Evaluation Tool

Indicator	Rating
Non-Compliant	0
Compliant	5

Table 11 Locality evaluation Tool

Indicate and provide proof if your company has a local office in the Northern Cape in the form of a **municipal account not older than 3 months or a valid rental agreement**

Indicator	Rating
Non-Compliant – older than 3 months	0
No representation in the Northern Cape	1

Head office in another province with representation in Northern Cape	3
Head office in Northern Cape	5

9.3. BID PRICING – 80/20 POINT SYSTEM

The bid will be awarded based on the 80/20 preference point system. 80 for price and 20 for the Departmental specific goals

10. CONTRACTUAL AGREEMENT

The successful bidder will be required to enter into a formal contract or a service level agreement (SLA) for 36 months with DEDaT that shall be based on these terms of reference , the accepted bid, and the letter of acceptance.

11. REPORTING, MONITORING AND EVALUATION

The successful bidder will report to the Project Manager and his team.

12. SUPPLIER DUE DILIGENCE

The DEDaT reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period.

13. SUBMISSION OF BID

Interested Service Providers must place bid in the **Tender Box** with the following details:

a. Mode of submission

Online

b. Closing Details

Date: 30 October 2026

Time: 11:00

c. Collection of documents

- E-portal

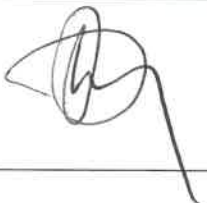
APPOINTMENT OF A SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE TENDER NO. DEDaT 0003/2025 FOR 3 YEARS

<https://www.etenders.gov.za/>

- Departmental website

<http://www.northern-cape.gov.za/dedat/>

14. APPROVAL BY HOD

Description	
Signature	
Accounting Officer	Mr A.T.M. Mabija

15. DOCUMENTS

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DEDaT 0003/2025	CLOSING DATE:	30 OCTOBER 2026	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
GROUND FLOOR					
ENTRANCE METLIFE TOWERS					
CNR KNIGHT AND STEAD STREET					
MARKET SQUARE					
KIMBERLEY					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr B. AWUAH		CONTACT PERSON	MR C. MOYO	
TELEPHONE NUMBER	067 143 5355		TELEPHONE NUMBER	083 579 4072	
FACSIMILE NUMBER	053 831 3668		FACSIMILE NUMBER	053 831 3668	
E-MAIL ADDRESS	BassanioA@ncdedat.gov.za		E-MAIL ADDRESS	MoyoC@ncdedat.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		

APPOINTMENT OF A SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE TENDER NO. DEDaT 0003/2025 FOR 3 YEARS

CELLPHONE NUMBER					
FACSIMILE NUMBER		CODE		NUMBER	
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS		TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No: MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? ☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO					
DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO					
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO					
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO					
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO					
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA .
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

APPOINTMENT OF A SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE TENDER NO. DEDaT 0003/2025 FOR 3 YEARS

- 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:.....

SBD 3.1

**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.....DEDaT 0003/2025.....
Closing Time: 11:00	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:

APPOINTMENT OF A SERVICE PROVIDER FOR THE ACCELERATED ESTABLISHMENT OF AN INDUSTRIAL CLUSTER MANAGEMENT OFFICE AND TECHNOLOGY DRIVEN INDUSTRY SUPPORT CENTRE FOR THE METALS, MACHINERY AND EQUIPMENT IN THE NORTHERN CAPE PROVINCE TENDER NO. DEDaT 0003/2025 FOR 3 YEARS

- 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

SBD 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

- 1.1 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, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.
- 1.2 If a person is 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. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

- 2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**
- 2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	Identity Number	Name of organ of state

- 2.3 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.3.1 If so, furnish particulars:

.....

2.4 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**

2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	Status (active/inactive/deleted)

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification.

3 GENERAL DECLARATION

I,, the undersigned, 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 to be false.
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
- 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.
- 3.5 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.

- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring 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.
- 3.7 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, 1998 (Act No. 89 of 1998) and or may be referred to law enforcement agencies for criminal investigation and or may be restricted from conducting business with the state for a period not exceeding 10 years in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) or any other applicable legislation.

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

.....
Signature

.....
Date

.....
Designation

.....
Name of bidder

SBD 6.1

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	80
SPECIFIC GOALS	20

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

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \quad \text{or} \quad Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

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:

80/20 or 90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is

applicable, corresponding points must also be indicated as such.

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Race				
90% - 100% Black Owned Company		8		
61% - 89% Black Owned Company		7		
51% - 60% Black Owned Company		6		
50% Black owned Company		4		
Less than 50% Black Owned Company		0		
Women				
76% - 100% Women owned Company		6		
51% - 75% Women owned Company		4		
50% Women owned Company		3		
Less than 50% Women owned Company		0		

Youth				
100% Youth Owned Company		4		
51% - 89% Youth Owned Company		3		
50% Youth Owned Company		2		
Less than 50% Youth Owned Company		0		
People With Disabilities				
51% - 100% Disabled Owned Company		2		
50% Disabled Owned Company		1		
Less than 50% Disabled Owned Company		0		

DECLARATION WITH REGARD TO COMPANY/FIRM

Name of company/firm.....

Company registration number:

4.3. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.4. 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:	
	
	
	

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

Js General Conditions of Contract (revised July 2010)