Province of the
EASTERN CAPE
HEALTH

# TRAVEL MANAGEMENT SERVICES TENDER 2024

The Eastern Cape Department of Health Invites Suppliers to render Travel Management Services to ECDoH for a period of 3 years.

This Bid Specification Document must be read together with the relevant ECDoH Pricing Schedule Document

SCMU3-24/25- 0401-HO
Advert Date: 11 October 2024
Closing Date: 07 November 2024 @11h00

PHILASANDE MTHELELI
Philasande.mtheleli@echealth.gov.za

# CONTENTS

# SBD 1
# PART A
# INVITATION TO BID

| | | | | | |
|---|---|---|---|---|---|
| **YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)** | | | | | |
| BID NUMBER: | **SCMU3-24/25- 0401-HO** | CLOSING DATE: | **07 NOVEMBER 2024** | CLOSING TIME: | **11h00** |
| DESCRIPTION | **APPOINTMENT OF A SERVICE PROVIDER(S) FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES TO THE EASTERN CAPE DEPARTMENT OF HEALTH FOR THE PERIOD OF THREE (3) YEARS** | | | | |
| **BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*** | | | | | |
| **SUPPLY CHAIN MANAGEMENT** | | | | | |
| **DEPARTMENT OF HEALTH** | | | | | |
| **GROUND FLOOR, GLOBAL LIFE BUILDING** | | | | | |
| **BHISHO** | | | | | |

| | | | |
|---|---|---|---|
| **BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO** | | **TECHNICAL ENQUIRIES MAY BE DIRECTED TO:** | |
| CONTACT PERSON | **Philasande Mtheleli** | CONTACT PERSON | **Philasande Mtheleli** |
| TELEPHONE NUMBER | **040 608 9501**<br>**083 303 3728** | TELEPHONE NUMBER | **040 608 9501**<br>**083 303 3728** |
| FACSIMILE NUMBER | | FACSIMILE NUMBER | |
| E-MAIL ADDRESS | **Philasande.mtheleli@echealth.gov.za** | E-MAIL ADDRESS | **Philasande.mtheleli@echealth.gov.za** |

| | | | | | |
|---|---|---|---|---|---|
| **SUPPLIER INFORMATION** | | | | | |
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | **OR** | CENTRAL SUPPLIER DATABASE No: | MAAA |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED? | ☐Yes ☐No<br>[IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? | ☐Yes ☐No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW] | |

| | |
|---|---|
| **QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS** | |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | ☐ YES ☐ NO |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | ☐ YES ☐ NO |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | ☐ YES ☐ NO |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | ☐ YES ☐ NO |

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

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

# PART B
# TERMS AND CONDITIONS FOR BIDDING

| **1. BID SUBMISSION:** |
|---|
| 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. |
| 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.** |
| 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. |
| 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).** |

| **2. TAX COMPLIANCE REQUIREMENTS** |
|---|
| 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. |
| 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS. |
| 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA. |
| 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. |
| 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |
| 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. |
| 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE." |

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

SIGNATURE OF BIDDER: ……………………………………………

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

DATE: ……………………………………………

# ECDOH BID AUTHORIZATION

**APPOINTMENT OF A SERVICE PROVIDER(S) FOR THE PROVISION OF TRAVEL MANAGEMENT COMPANY TO THE EASTERN CAPE DEPARTMENT OF HEALTH FOR THE PERIOD OF THREE (3) YEARS**

| | | | |
|---|---|---|---|
| Drafted by | Date: | Name:<br>Ms B. Mtshawulana | Signature: |
| Reviewed by | Date:<br>10 October 2024 | Name:<br>Mr P. Mtheleli | Signature: |
| Approved by Bid Specification Committee | Date:<br>10 October 2024 | Name:<br>Mr M. Mtongana | Signature: |
| Advert approved by | Date: | Name:<br>Ms C. Mgijima | Signature |

# DEFINITIONS

The rules of interpretation and defined terms contained in the General Conditions of Contract (GCC) shall apply to this invitation to bid unless the context requires otherwise. In addition, the following terms used in this invitation to bid shall, unless indicated otherwise, have the meanings assigned to such terms in the table below.

| | |
|---|---|
| **ECDoH** | means the Eastern Cape Department of Health acting for and on behalf of the Eastern Cape Provincial Government; |
| **Invitation to bid** | means this invitation to bid comprising.<br>o The cover page and the table of content and definitions<br>o Part 1 which details the Conditions of Bid.<br>o Part 2 which details the Conditions of Contract and Operational Requirements.<br>o Part 3 which details the bid strategy.<br>o Part 4 which details the Specifications relating to the Technology / Services<br>o Part 5 that contains the bid submission format request.<br>o Part 6 which contains all the requisite bid forms and certificates.<br>As read with GCC – *General Conditions of Contract* |
| **Services** | means the services defined on the cover page of this invitation to bid and described in detail in the Specifications; |
| **Specifications** | means the specifications contained in Part 4 of this invitation to bid; |

**Accommodation** means the rental of lodging facilities while away from one's place of abode, but on authorised official duty.

**After-hours service** refers to an enquiry or travel request that is actioned after normal working hours, i.e. 17h00 to 8h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays

**Air travel** means travel by airline on authorised official business.

**Authorising Official** means the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g. line manager of the traveller.

**Car Rental** means the rental of a vehicle for a short period of time by a Traveller for official purposes.

**Department** means the organ of state, Department or Public Entity that requires the provision of travel management services.

**Domestic travel** means travel within the borders of the Republic of South Africa.

**Emergency service** means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.

**Commerce** refers to the Government's buy-site for transversal contracts.

**International travel** refers to travel outside the borders of the Republic of South Africa.

**Lodge Card** is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit card number which is "lodged" with the TMC at to which all expenditure is charged.

**Management Fee** is the fixed negotiated fee payable to the Travel Management Company (TMC) in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc).

**Merchant Fees** are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.

**Quality Management System** means a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management.

**Regional travel** means travel across the border of South Africa to any of the SADC Countries, namely; Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

**Service Level Agreement** (**SLA**) is a contract between the TMC and Government that defines the level of service expected from the TMC.

**Shuttle Service** means the service offered to transfer a Traveller from one point to another, for example from place of work to the airport.

**Third party fees** are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the TMC. These fees include visa fees and courier fees.

**Transaction Fee** means the fixed negotiated fee charged for each specific service type e.g. international air ticket, charged per type per transaction per traveller.

**Traveller** refers to a Government official, consultant or contractor travelling on official business on behalf of Government.

**Travel Authorisation** is the official form utilised by Government reflecting the detail and order number of the trip that is approved by the relevant authorising official.

**Travel Booker** is the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller, e.g. the personal assistant of the traveller.

**Travel Management Company** or TMC refers to the Company contracted to provide travel management services (Travel Agents).

**Travel Voucher** means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

**Value Added Services** are services that enhance or complement the general travel management services e.g. Rules and procedures of the airports.

**VAT** means Value Added Tax.

**VIP or Executive Service** means the specialised and personalised travel management services to selected employees of Government by a dedicated consultant to ensure a seamless travel experience.

**PART 1**

## Conditions of Bid

### 1. INTRODUCTION

The Eastern Cape Department of Health's vision is a quality health service provider to the people of the Eastern Cape promoting a better life for all.

It has a mandate to provide and ensure accessible comprehensive integrated services in the Eastern Cape Department of Health, emphasizing the primary health care approach, optimally utilising all resources to enable all its present and future generations to enjoy health and quality of life.

The Eastern Cape Department of Health requires service providers to provide travel services for it, as their staff travels extremely both domestic and international markets. Travel arrangements will consist of air travel, hotel accommodation, airport transfers, shuttle services and car rentals through appointed service provider/s.

The ECDOH does not guarantee exclusive procurement from the Travel Management Company/ies nor any minimum order or quantity of services. The Travel Management Company/ies is expected to win over market share through its quality service and competitive prices.

### 2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidder(s) for the provision of travel management services to Eastern Cape Department of Health.

This RFP document details and incorporates, as far as possible, the tasks and responsibilities of the potential bidder required by Eastern Cape Department of Health for the provision of travel management services to Eastern Cape Department of Health.

This RFP does not constitute an offer to do business with Eastern Cape Department of Health, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

The successful bidder ("the Travel Management Company") will be required to sign a contract with ECDOH to perform travel services specified under this Terms of Reference and agreeing to clearly identified service levels.

**The bid will be awarded to more than one bidder as per the sole discretion of the Department of Health.**

## 3. LEGISLATIVE FRAMEWORK OF THE BID

### 3.1. **Tax Legislation**

3.1.1. Bidder(s) must be compliant when submitting a proposal to Eastern Cape Department of Health and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

3.1.2. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

3.1.3. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.

3.1.4. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

3.1.5. Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.

3.1.6. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

### 3.2. **Procurement Legislation**

Eastern Cape Department of Health has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

### 3.3. **Technical Legislation and/or Standards**

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

## 4. BRIEFING SESSION

A bid briefing and clarification session will be held at the **John Tremble Hall, at Frere Hospital, Amalinda Main Road, East London at 11h00 on the 24 October 2024**. The department will respond to any email questions up to **Friday 1st November 2024.**

**CONTACT AND COMMUNICATION**

4.1. A nominated official of the bidder(s) can make enquiries in writing, to the specified person, Philasande.mtheleli@echealth.gov.za . Bidder(s) must reduce all telephonic enquiries to writing and send to the above email address.

4.2. The delegated office of Eastern Cape Department of Health may communicate with Bidder(s) where clarity is sought in the bid proposal.

4.3. Any communication to an official or a person acting in an advisory capacity for Eastern Cape Department of Health in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.

4.4. All communication between the Bidder(s) and Eastern Cape Department of Health must be done in writing.

4.5. Whilst all due care has been taken in connection with the preparation of this bid, Eastern Cape Department of Health makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. Eastern Cape Department of Health, and its employees and advisors will not be liable with respect to any information communicated which may not accurate, current or complete.

4.6. If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by Eastern Cape Department of Health (other than minor clerical matters), the Bidder(s) must promptly notify Eastern Cape Department of Health in writing of such discrepancy, ambiguity, error or inconsistency in order to afford Eastern Cape Department of Health an opportunity to consider what corrective action is necessary (if any).

4.7. Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by Eastern Cape Department of Health will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.

4.8. All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

## 5. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

## 6. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

## 7. FRONTING

7.1. Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Government condemn any form of fronting.

7.2. The Government, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies Eastern Cape Department of Health may have against the Bidder / contractor concerned.

## 8. SUPPLIER DUE DILIGENCE

Eastern Cape Department of Health reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

## 9. SUBMISSION OF PROPOSALS

9.1. Bid documents may either be posted or sent by courier to [SCM Office, Ground Floor Global Life, Independence Avenue, Bhisho (preferably registered mail) OR placed in the tender box OR couriered to the aforesaid address on or before the closing date and time.

9.2. Bid documents will only be considered if received by Eastern Cape Department of Health before the closing date and time, regardless of the method used to send or deliver such documents to Eastern Cape Department of Health.

9.3. The bidder(s) are required to submit an original copy of their file and one (1) **CD-ROM** (for pricing schedule) with content of file submitted by the Closing date **07 November 2024 at 11H00**. The file and CD-ROM must be marked correctly and sealed separately for ease of reference during the evaluation process. Furthermore, the file and information in the CD-ROM must be labelled and submitted in the following format. Should the information on CD-Rom differ with the Hard Copy file, the Department revers the right to utilise hard copy file.

| FILE (TECHNICAL FILE, PRICE & SPECIFIC GOALS) | |
|---|---|
| Exhibit 1:<br>Pre-qualification documents<br>*(Refer to Section 17.1 - Gate 0: Pre-qualification Criteria (Table 1))* | **Exhibit 4:**<br>• **Company Profile**<br>**Any other supplementary information** |
| Exhibit 2:<br>• Technical Responses and Bidder Compliance Checklist for Technical Evaluation<br>• Supporting documents for technical responses.<br>*(Refer to Section 17.2 - Gate 1: Technical Evaluation Criteria and Desktop Evaluation Technical Scorecard and Compliance Checklist)* | **Exhibit 5:**<br>Pricing Schedule<br>*(Refer to Section 16 – Pricing Model and Annexure A1 – Pricing Submission)* |
| Exhibit 3:<br>• General Conditions of Contract (GCC) | |

9.4. Bidders are requested to initial each page of the tender document on the top right-hand corner.

## 10. PRESENTATION / DEMONSTRATION

Eastern Cape Department of Health reserves the right to request presentations/demonstrations from the short-listed Bidders as part of the bid evaluation process.

## 11. DURATION OF THE CONTRACT

**The successful bidder/s will be appointed for a period of 36 months.**

11.1 **ACCEPTANCE OR REJECTION OF BIDS**

The Department of Health does not bind itself to accept the lowest or nay bid, and reserves The right to accept whole or any part of a bid as it may seem expedient, nor will it assign and reason for the acceptance or rejection.

11.2 **VALIDITY PERIOD**

Validity period for this bid is **90 days**

## 12. SPECIAL CONDITIONS OF CONTRACT

**LEGISLATIVE AND REGULATORY FRAMEWORK**

This bid and all contracts emanating there from will be subjected to the General Conditions of Contract issued in accordance of the Treasury Regulations 16A published in terms of the Public Finance Management Act,1999 (Act1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions conflict with the General Conditions of Contract, the Special Conditions takes precedence.

## 13. EVALUATION AND SELECTION CRITERIA

13.1.1. Eastern Cape Department of Health has set minimum standards (Gates) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

| Pre-qualification Criteria (Gate 0) | Technical Evaluation Criteria (Gate 1) | Price and Specific Goals Evaluation (Gate 2) |
|---|---|---|
| Bidders must submit all documents as outlined in paragraph 17.1 (Table 1) below.<br>Only bidders that comply with ALL these criteria will proceed to Gate 1. | Bidder(s) are required to achieve a minimum of 80 points out of 100 points to proceed to Gate 2 (Price and Specific Goals). | Bidder(s) will be evaluated out of 100 points and Gate 2 will only apply to bidder(s) who have met and exceeded the threshold of 80 points. |

13.2. **1st Stage: Gate 0: Pre-qualification Criteria (Mandatory Requirements)**

**Without limiting the generality of Eastern Cape Department of Health's other critical requirements for this Bid, bidder(s) must submit the documents listed in Table 1 below. All documents must be completed and signed by the duly authorized representative of the prospective bidder(s). During this phase Bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.**

**1: Documents that must be submitted for Pre-qualification**

| No | Mandatory / non-negotiable Documents that must be submitted | Non-submission may result in disqualification? | |
|---|---|---|---|
| 1 | **Invitation to Bid – SBD 1** | **YES** | Complete and sign the supplied pro forma document |
| 2 | **Declaration of Interest – SBD 4** | **NO** | Complete and sign the supplied pro forma document |
| 3 | **Preference Point Claim Form – SBD 6.1** | **NO** | Non-submission will lead to a zero (0) score on SPECIFIC GOALS |
| 4 | **Registration on Central Supplier Database (CSD)** | **NO** | The Travel Management Company (TMC) must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration. |
| 5 | **1. Active IATA Licence / Certificate** | **YES** | Bidders are required to submit their active International Air Transport Association (IATA) licence/ certificate (certified copy) at closing date. |
| | | | Where a bidding company is using a 3rd party (IATA) licence, proof of the agreement must be attached and copy of the certificate to that effect at closing date. |
| | **2. Active ASATA Licence / Certificate** | **YES** | Bidders are required to submit their active Association of South African Travel Agents (ASATA) licence/ certificate (certified copy) at closing date. |
| 6 | **Expertise and experience of the company-(3) three Reference letters from the clients/companies where services were rendered.**<br>**NB. On the company/ies' letter heads.** | **YES** | The company must have performed a minimum of (3) three similar contracts within the last (5) five years. |
| 7 | **Methodology for provision of services:** | **YES** | Bidder to summarise the motivation of compliance as per outlined criteria. |
| | | | RESERVATIONS<br>1) Manage all reservations/ bookings. |

| | | | |
|---|---|---|---|
| | | | 2) Manage group bookings.<br>3) Directly negotiated rates<br>4) Manage airline reservations.<br>5) After-hours and emergency services<br>? Communication<br>? Financial management<br>? Technology, management information and reporting<br>? Account management<br>? Value added services<br>? Cost management<br>? Quarterly and annual travel reviews<br>? Office management |
| 8 | **Submit proof of office of fully operational existing office within the Eastern Cape** | **YES** | Company Profile reflecting staff and functions, Office Address (Lease agreement or Municipal Account) |
| 9 | **Pricing Schedule** | **YES** | Provide full details of pricing as per annexure |
| 10 | **Proof of financial stability** | **YES** | Letter from the Bank reflecting positive cash reserves of R1 000 000 (one million rand) and above or a Confirmation Letter from a financial institution to provide financial assistance (to the value of R1 000 000 one million or above) on award or Financial Statements with positive net asset value Or Grading from the Bank |

**13.3 Gate 1: (2nd Stage) Technical Evaluation Criteria = 100 points**

13.3.1 All bidders are required to respond to the technical evaluation criteria scorecard and compliance checklist for detailed information.

13.3.2 Only Bidders that have met the Pre-Qualification Criteria in (Gate 0) will be evaluated in Gate 1 for functionality. Functionality will be evaluated as follows:

- Desktop Technical Evaluation – Bidders will be evaluated out of 100 points and are required to achieve minimum threshold of 80 points of 100 points.
- The bidder must achieve the minimum threshold of 80 points in order to proceed to Gate 2 for Price and SPECIFIC GOALS evaluations.

13.3.3 **As part of due diligence, Eastern Cape Department of Health will conduct a site visit/ in loco inspection at a client of the Bidder (reference) for validation of the services rendered. The choice of site will be at Eastern Cape Department of Health's sole discretion.**

13.3.4 The Bidder's information will be scored according to the following points system:

| Functionality | Maximum Points Achievable | Minimum Threshold |
|---|---|---|
| **Desktop Technical Evaluation Details found in Annexure A2 – Technical Scorecard** | 100 | 80 |

## 13.4 2nd Stage Evaluation: Technical Evaluation Criterion

| No | | | SUB CRITERIA | EVIDENCE REQUIRED | SCORE | OVERALL SCORE |
|---|---|---|---|---|---|---|
| 1 | 1.1 | EXPERIENCE OF THE BIDDER | The company must have performed a minimum of (5) five similar contracts in the last (5) five years, same or equivalent to the ECDOH in nature (e.g government dept, public entity/enterprise, municipality etc), whom we may contact for references. The letter must include: company name, contact name, address, phone number, and duration of contract, value of the travel expenditure, a brief description of the services that you provided and the level of satisfaction. | 3-5 similar contracts in the last (5) five years | 20 | 40 |
| | | | | 1-2 five similar contracts in the last (5) five years | 10 | |
| | | | | None | 0 | |
| | 1.2 | | **Management of reservations and bookings domestic/regional/international** – Company Profile reflecting how have you managed the following:<br>1.Manage all reservations/ bookings.<br>2.Manage group bookings.<br>3.Directly negotiated rates<br>4.Manage airline reservations.<br>5.After-hours and emergency services. | Documentary evidence as per criteria (1.2) for all five (5) sub criteria | 20 | |
| | | | | Lower than 5 Documentary evidence as per criteria (1.2) | 0 | |
| 2 | **2.1** | OFFICE MANAGEMENT | 1. Provide an overview of your back-office processes (as is) detailing the degree of automation for air tickets workflow, ground arrangements and bill back workflow.<br>2. Describe roles and responsibilities of assigned staff. Please provide the management hierarchy.<br>3. Describe type of training provided to travel agency personnel<br>4. Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes, etc<br>5.Describe your communication process where the traveller, travel co-ordinator/booker and travel | Documentary evidence as per criteria (2.1) for all five (5) sub criteria | 15 | 15 |
| | | | | Lower than 5 Documentary evidence as per criteria (2.1) | 0 | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | management company will be linked in one smooth continuous workflow. | | | |
| **3** | **3.1** | ACCOUNT MANAGEMENT | Describe how queries, requests, changes and cancellations will be handled. What is your mitigation and issue resolution process? Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure must be submitted. | Excellent | 15 | 15 |
| | | | | Very Good | 12 | |
| | | | | Good | 10 | |
| | | | | Acceptable | 8 | |
| | | | | Poor | 5 | |
| **4** | **4.1** | COST MANAGEMENT | Describe your detailed strategic cost savings plan for the contract duration. What items do you target for maximum cost savings results? Describe how you will assist the Eastern Cape Department of Health to realise cost savings on annual travel spend. | Excellent | 15 | 15 |
| | | | | Very Good | 12 | |
| | | | | Good | 10 | |
| | | | | Acceptable | 8 | |
| | | | | Poor | 5 | |
| **5** | **5.1** | QUARTERLY AND ANNUAL TRAVEL REVIEWS | Provide a sample of a Quarterly and Annual review used for performance management during the life cycle of the contract. | Excellent | 15 | 15 |
| | | | | Very Good | 12 | |
| | | | | Good | 10 | |
| | | | | Acceptable | 8 | |
| | | | | Poor | 5 | |

| | |
|---|---|
| **TOTAL POINTS** | **100** |
| **MINIMUM QUALIFYING POINTS** | **80** |

### 13.5 Gate 2 (3rd Stage Price) and SPECIFIC GOALS Evaluation (90+10) = 100 points

The bid will be evaluated in terms of Regulation 4(1) of the Preferential Procurement Regulation 90/10 Preference Point system will be applied where the lowest bidder will be allocated 90 Points for price. A maximum of 10 points will be awarded for specific goals.

The following formula will be used to calculate points out of 90 for price.

$$Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Where
Ps = points scored for comparative price of bid or offer under consideration.
Pt =Comparative price of bid or offer under consideration.
Pmin = comparative price of lowest acceptable bid or offer.

The following table must be used to calculate the score out of 10 points for Specific Goals

| B-BBEE Status Level of Contribution | Weighting (of 10 POINTS) | Number of points (90/10 system) |
|---|---|---|
| Historically Disadvantage Individuals: | | |
| ○ Race | 20% | 2 |
| ○ Women | 30% | 3 |
| ○ Disability | 30% | 3 |
| Youth | 20% | 2 |
| TOTAL | 100% | 10 |

a) A tenderer must submit proof of its Specific Goals.
b) A tenderer failing to submit proof of specific Goals may not be disqualified but may only score points out of 90 for price, and scores 0 points out of 10 for Specific Goals.
c) The Specific Goals supporting documents required to verify claimed points may in line with the specific requirements include:

- CIPRO Certificate with percentage ownership or controlling interest and ID copies of directors
- Medical Certificate / Doctor's medical report (Impairment should be substantially limiting long term or of recurring nature)
- Third party communication reflecting physical address e.g. Municipal accounts, telephone account, SARS letter etc or affidavit proof of address from the councillor, or lease agreement with two months proof of rental payments.
- Letter from Department of Military Veterans confirming status.

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

**PART 2**

**Conditions of Contract and Operational Requirements**

**1) CONTRACT**

The contract for the provision of the required Services in terms of this invitation to bid shall come into being on the date of issue of the letter of acceptance of the bidders bid by the Eastern Cape Department of Health

**2) FEES AND CHARGES**

a. In consideration of the Services the contractor shall be paid the fees stipulated in the completed Bid Price Schedule attached as Part C – Schedule 5, which fees shall be paid in accordance with the payment provisions contained in paragraph 16 of the General Conditions of Contract (GCC).

b. The stipulated bid prices shall be fixed (firm) for the first 12 months and year 2 and year 3 increases will be subject to the CPI.

c. Payment of any consideration in terms of the contract shall not constitute acceptance of any defective or non-conforming Services or otherwise relieve contractor of any of its obligations under the contract.

d. To the extent that the ECDOH disputes the correctness, nature, extent or calculation of any fees or expenses payable to contractor in terms of the contract, DOH shall be entitled to withhold payment of such disputed amounts until such time as such dispute is resolved.

**3) SERVICE MANAGER**

The contractor shall provide the Services in accordance with the service specifications and service levels detailed in the Specifications and any service level agreement implemented.

**4) RELATIONSHIP MANAGER**

The contractor shall appoint a relationship manager who shall be responsible for liaising and meeting with the ECDOH.

**5) GENERAL RESPONSIBILITIES OF THE CONTRACTOR**

a) Save as provided for otherwise in the Specifications, the contractor shall at its cost maintain, replace, replenish all commodities, materials and equipment used in the provision of the Services as required to enable contractor to comply with its obligations stipulated in the contract, as required to ensure that such commodities, materials and equipment can be used in a safe and cost effective manner and as required in accordance with good industry practices.

b) ***the ECDOH's operational requirements.*** The contractor shall, in the provision of the Services, have due regard to the operational requirements of the Department of Health.

c) ***Other Service Providers -*** The contractor acknowledges that it may be required to provide the Services in conjunction with third party service providers and shall, where requested by the ECDOH, co-operate fully with such persons.

d) ***Regulations and statutes -*** The contractor shall, in the provision of the Services observe and comply with all relevant provisions of all applicable legislation and regulations.

e) ***Compliance with procedures.***

- Should the ECDOH at any time believe that any member of contractor's personnel is failing to comply with any such procedures or policies, the ECDOH shall be entitled to deny such personnel member access to the relevant premises and require contractor to replace such person without delay.

f) ***Contractor's procedures.*** The contractor shall, upon receipt of written request from the ECDOH :-

- Provide the ECDOH with copies of all contractor's operating procedures and processes relating to the Services;
- ***Service Reports.*** The contractor shall, upon written request provide the ECDOH with such reports relating to the Services as may be stipulated in the Specifications, or as may be reasonably required by the ECDOH to determine whether contractor is providing the Services in accordance with the terms and conditions of the contract.
- **Obligations relating to contractor's personnel**. The contractor shall:-

i. Employ suitably qualified and trained personnel to provide the Services;

ii. Provide the ECDOH upon request with full details regarding contractor's personnel who will be involved in the provision of the Services, including the capacity in which such personnel will be employed, references and employment history of such personnel;

iii. Satisfy itself as to the references and integrity of each member of its personnel who are employed in the provision of the Services;

iv. Without detracting from its obligations under the contract, remove any member of its personnel from the provision of the Services upon receipt of written request from the ECDOH, and replace such member with a suitable replacement.

**6) OCCUPATIONAL HEALTH AND SAFETY**

a. In this clause the term "Act" shall mean the Occupational Health & Safety Act, No. 85 of 1993, as amended from time to time, (including any act which may take its place should it be repealed during the currency of the agreement between the parties) as read with all regulations and standards promulgated in terms of the former Machinery and Occupational Act, No 6 of 1983, as amended, and all regulations & standards promulgated in terms of the Occupational Health & Safety Act from time to time;

b. The contractor:-

c. Acknowledges that it is fully aware of the terms and conditions of the Act;

d. Acknowledges that it is an employer in its own right with duties and responsibilities as prescribed in the Act;

e. Agrees to ensure that all Services shall be performed, and all equipment shall be used in accordance with the provisions of the Act,

f. Accepts accountability for its employees and sub-contractors to the extent that such employees and sub-contractors (including any other personnel) contravene the provisions of the Act;

g. Shall appoint a duly authorized representative to ensure the discharge of its duties in terms of Section 16(1) and (2) of the Act for the term of the contract.

h. The parties acknowledge and agree that the contract shall constitute an agreement as contemplated in Section 37(2) of the Act.

## 7) SERVICE LEVEL AGREEMENT

It is recorded that the ECDOH and the service provider may from time to time agree in writing to additional quality requirements and standards relating to the Services together with performance measurement provisions, which quality requirements, performance measurement provisions shall be reduced to writing in a service level agreement and signed by both parties.

## 8) PERFORMANCE MEASUREMENT PROVISIONS

***Introduction***

Contractor shall provide the Services during the term of the contract in compliance with the quality and related standards stipulated in the Specifications and the service level agreement (if any) contemplated in clause 30 above.

The provisions of this clause documents the manner in which contractor's performance will be measured throughout the term of the contract.

***Compliance***

For purposes of the contract the compliance by contractor with the stipulated responsibilities and service standards will be determined:-

a. with reference to reports provided by contractor;

b. with reference to reports or complaints received from third parties;

c. By means of service reviews, inspections or any audit carried out by or on behalf of the ECDOH.

***Records***

Contractor shall at all times keep full and accurate records of all Services provided in terms of the contract and shall retain such records for the currency of the contract. Upon termination of the contract such records must be provided to the ECDOH upon request.

***Measurement of performance***

i. Self-measurement. Contractor shall measure its own performance against the stipulated responsibilities and service standards and shall provide the ECDOH with a monthly extract report detailing its performance in a format agreed between the parties from time to time.

ii. Periodic checks. The ECDOH and/or its management or any party contracted shall carry out periodic checks (the intervals to be determined by the ECDOH) the purpose of which shall be to determine whether contractor is providing the Services in accordance with the terms and conditions of the contract and also to measure the actual success of the programme.

iii. Service complaints

- All service complaints, deviations, non-conforming services and suggestions that are reported to contractor by the ECDOH, or any other party shall be given proper and speedy consideration by contractor.

- Contractor shall investigate complaints, deviations and non-conforming services in accordance with procedures approved by the ECDOH.

iv. User satisfaction survey

- A user satisfaction survey shall be conducted by the ECDOH at such intervals as ECDOH may determine to assess service user satisfaction.

- The user satisfaction survey shall be conducted in such form and in accordance with such procedures as the parties may agree to in writing from time to time.

V. Performance Review Meetings

1. Performance review meetings shall be held monthly (or such other frequency as the parties may agree to in writing from time to time) and shall be attended at least by Contractor's manager.

2. Agenda items for these meetings shall include a minimum of the following:

    a) Discussion of the various reports generated by the parties;

    b) Management of Services;

    c) Review findings of periodic service checks;

    d) Review findings of Service User satisfaction assessments;

    e) Financial review, including service cost and/or invoices;

***Results of checks, audits and surveys*** The ECDOH shall be entitled to utilise the findings of the surveys, checks, audits and reports contemplated above to determine compliance by contractor with the service standards and responsibilities stipulated in the contract. It is recorded that the results of the above checks shall, save to the extent that contractor can prove otherwise be binding on contractor and the ECDOH shall be entitled to exercise its remedies stipulated in the contract based on such findings.

**9) BREACH AND TERMINATION**

Bidders are referred to Paragraph 45 of GCC relating to failure to comply with conditions of this contract and delayed execution.

**10) LOSS AND DAMAGE**

Contractor hereby indemnifies the State, and will hold the State harmless, against any loss or damages which the State may suffer, or any claims lodged against the State by any third party arising out of or relating to any loss that the State or such third party may suffer as a result of, or arising out of any act or omission of any personnel of contractor or the failure of contractor to provide the Services in accordance with the provisions of the contract.

**11) TRANSFER MANAGEMENT**

Upon termination of the contract for whatever reason contractor shall assist the ECDOH to transfer the Services to the ECDOH, or to another service provider designated by the ECDOH. Without detracting from the generality of this obligation, contractor shall, to the extent required by the ECDOH, provide the ECDOH or the third party service provider with all information and documentation required to enable the ECDOH or such service provider to provide the Services, it being recorded that this obligation shall not oblige contractor to deliver any documentation which is proprietary or confidential to contractor.

**12) SUB-CONTRACTORS**

Contractor may only sub-contract its obligations under the contract with the prior written consent of the ECDOH (or any other authorised authority) and then only to a person and to the extent approved by the ECDOH or such authority and upon such terms and conditions as the ECDOH or such authority require. It is recorded that where such consent is given contractor shall remain liable to ECDOH for the performance of the Services.

## PART 3 – BID STRATEGY

### 1. INTRODUCTION

The Eastern Cape Department of Health Supply Chain Management Unit (SCMU) hereby invites interested service providers for provision of Travel Management and Hospitality Services for a period of three (3) years.

### 2. BACKGROUND

a) The department is seeking to invite potential service providers that can contribute to meeting the current demand.

b) The department reserves the right to call for presentations from shortlisted service providers.

c) As all offers are considered *sub judice* until a contract is concluded, no information about evaluations may be disclosed and no discussion about results will be undertaken by the Department before finalization of the contract.

d) The Department reserves the right to negotiate a reduced rate / price amongst bidders should the difference in cost be determined as exorbitant.

### 3. AWARD STRATEGY

The bid will be awarded to one service provider per region. If a bidder awarded a region is unable to deliver services, the department reserves the right to use the bidder awarded in other region for continuity of service.

The regions are clusters as follows:

| **REGION** | **DISTRICTS** |
|---|---|
| HEAD OFFICE | HEAD OFFICE |
| EASTERN REGION | O.R. TAMBO & ALFRED NZO DISTRICTS |
| CENTRAL REGION | AMATHOLE, BUFALO CITY METRO, CHRIS HANI AND JOE GQABI DISTRICT |
| WESTERN REGION | NELSON MANDELA BAY METRO & SARAH BAARTMAN DISTRICTS |

## PART 4 - Specifications

### 1. Background

Eastern Cape Department of Health's primary objective in issuing this RFP is to enter into agreement with a successful bidder(s) who will achieve the following:

a) Provide Eastern Cape Department of Health with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;

b) Achieve significant cost savings for Eastern Cape Department of Health without any degradation in the services;

c) Appropriately contain Eastern Cape Department of Health's risk and traveller risk.

d) The area of operation will cover the entire Eastern Cape Department of Health which includes the following operational areas:

    1) Amathole
    2) Buffalo City Metro
    3) Nelson Mandela Metro
    4) Sarah Baartman
    5) O.R. Tambo
    6) Joe Gqabi
    7) Alfred Ndzo
    8) Chris Hani
    9) Livingstone, Dora Nginza, Provincial Hospitals.
    10) Nelson Mandela Academic Hospital, Mthatha General Hospital
    11) Lilitha College
    12) EMS
    13) Head Office

### 2. Travel Volumes

The current Eastern Cape Department of Health total volumes per annum includes air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions for the FY 2023/2024 as follows:

| Service Category | Estimated Number of Transactions per annum | Estimated Expenditure per annum |
|---|---|---|
| Air travel - Domestic | 299 | R 1 197 351 47 |
| Air Travel - Regional & International | 0 | R 0 |
| Car Rental - Domestic | 20 | R 90 901.56 |
| Car Rental - Regional & International | 0 | R 0 |
| Shuttle Services - Domestic | 0 | R 0.00 |
| Accommodation - Domestic | 51 375 | R 82 199 668.13 |
| Accommodation - Regional &International | 1 | R 21 170.00 |
| Transfers - Domestic | 0 | R 0.00 |
| Transfers - Regional & International | 0 | R 0.00 |
| Bus/Coach bookings | 10 | R 131 004 |
| Train - Regional & International | 0 | R 0.00 |
| Conferences/Events | 35 414 | R 21 248 147,01 |
| After Hours | 1 | R 9 750.85 |
| Parking | 0 | R 0.00 |
| Insurance | 1 | R 16 038.00 |
| Forex | 0 | R 0.00 |
| **GRAND TOTAL** | **87 121** | **R 104 914 031.00** |

**Note:** These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

## 3. Service Requirements

### 3.1 General

The successful bidders will be required to provide travel management services. Deliverables under this section include without limitation, the following:

(a) The travel services will be provided to all Travellers travelling on behalf of Eastern Cape Department of Health, locally and internationally. This will include employees and contractors, consultants and clients where the agreement is that Eastern Cape Department of Health is responsible for the arrangement and cost of travel.

(b) Provide travel management services during normal office hours (Monday to Friday 8h00 – 17h00) and provide after hours and emergency services as stipulated in paragraph 15.3.6.

(c) Familiarisation with current Eastern Cape Department of Health travel business processes.

(d) Familiarisation with current travel suppliers and negotiated agreements that are in place between Eastern Cape Department of Health and third parties. Assist with further negotiations for better deals with travel service providers.

(e) Familiarisation with current Eastern Cape Department of Health Travel Policy and implementations of controls to ensure compliance.

(f) Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.

(g) Provide a facility for Eastern Cape Department of Health to update their travellers' profiles.

(h) Manage the third-party service providers by addressing service failures and complaints against these service providers.

(i) Consolidate all invoices from travel suppliers.

(j) Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.

(k) Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 years) which are of a similar size to Eastern Cape Department of Health.

(l) It will be an added advantage if the bidder is a member of IATA and ASATA (Association of South African Travel Agents). Proof of such membership must be submitted with the bid at closing date and time.

## 3.2 Reservations

The Travel Management Company will:

(a) Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via the agreed communication medium.

(b) always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel booker.

(c) apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.

(d) obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.

(e) book the negotiated discounted fares and rates where possible.

(f) must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.

(g) book parking facilities at the airports where required for the duration of the travel.

(h) respond timely and process all queries, requests, changes and cancellations timeously and accurately.

(i) Must be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)

(j) must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.

(k) advise the Traveller of all visa and inoculation requirements well in advance.

(l) assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.

(m) facilitate any reservations that are not bookable on the Global Distribution System (GDS).

(n) facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.

(o) note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.

(p) Visa applications will not be the responsibility of the TMC; however the relevant information must be supplied to the traveller(s) where visas will be required.

(q) Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by Eastern Cape Department of Health are **non-commissionable**, where commissions are earned for Eastern Cape Department of Health bookings all these commissions should be returned to Eastern Cape Department of Health on a quarterly basis.

(r) Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by Eastern Cape Department of Health.

(s) Timeous submission of proof that services have been satisfactorily delivered (invoices) as per Eastern Cape Department of Health's instructions

### 3.2.1 Air Travel

(a) The TMC must be able to book full service carriers as well as low cost carriers.

(b) The TMC will book the most cost effective airfares possible for domestic travel.

(c) For international flights, the airline which provides the most cost effective and practical routings may be used.

(d) The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.

(e) The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).

(f) Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.

(g) The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.

(h) The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.

(i) Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)

(j) Assist with lounge access if and when required.

### 3.2.2 Accommodation

(a) The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.

(b) The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller

(c) This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with Eastern Cape Department of Health's travel policy.

(d) Eastern Cape Department of Health travellers may only stay at accommodation establishments with which Eastern Cape Department of Health has negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or Eastern Cape Department of Health.

(e) Accommodation vouchers must be issued to all Eastern Cape Department of Health travellers for accommodation bookings and must be invoiced to Eastern Cape

Department of Health as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.

(f) The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.

(g) Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

### 3.2.3 Car Rental and Shuttle Services

(a) The TMC will book the approved category vehicle in accordance with the Eastern Cape Department of Health Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).

(b) The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.

(c) The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.

(d) For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.

(e) The TMC will book transfers in line with the Eastern Cape Department of Health Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.

(f) The TMC should manage shuttle companies on behalf of the Eastern Cape Department of Health and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.

(g) The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

### 3.2.4 After Hours and Emergency Services

(a) The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.

(b) A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.

(c) After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and Public Holidays.

(d) A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

(e) The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

### 3.3 Communication

3.3.1 The TMC may be requested to conduct workshops and training sessions for Travel Bookers of Eastern Cape Department of Health.

3.3.2 All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.

3.3.3 The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel management company in one smooth continuous workflow.

## 4 Financial Management

4.1 The TMC must implement the rates negotiated by National Treasury with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.

4.2 The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to Eastern Cape Department of Health for payment within the agreed time period.

4.3 Enable savings on total annual travel expenditure and this must be reported and proof provided during monthly and quarterly reviews.

4.4 The TMC will be required to offer a 30 day bill-back account facility to institutions should a lodge card not be offered. ‘Bill back’, refers to the supplier sending the bill back to the TMC, who, in turn, invoices Eastern Cape Department of Health for the services rendered.

4.5 Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.

4.6 Consolidate Travel Supplier bill-back invoices.

4.6.1 In certain instances where institutions have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.

4.6.2 The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to Eastern Cape Department of Health’s Financial Department on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.

4.6.3 Ensure Travel Supplier accounts are settled timeously.

## 4.7 Technology, Management Information and Reporting

4.7.1 The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.

4.7.2 The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.

4.7.3 All management information and data input must be accurate.

4.7.4 The TMC will be required to provide the Eastern Cape Department of Health with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.

The reporting templates can be found on http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountantGeneral.aspx

4.7.5 Reports must be accurate and be provided as per Eastern Cape Department of Health's specific requirements at the agreed time. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).

4.7.6 Eastern Cape Department of Health may request the TMC to provide additional management reports.

4.7.7 Reports must be available in an electronic format for example Microsoft Excel.

4.7.8 Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

4.7.8.1 Travel

a) After hours' Report;
b) Compliments and complaints;
c) Consultant Productivity Report;
d) Long term accommodation and car rental;
e) Extension of business travel to include leisure;
f) Upgrade of class of travel (air, accommodation and ground transportation);
g) Bookings outside Travel Policy.

4.7.8.2 Finance

a) Reconciliation of commissions/rebates or any volume driven incentives;

b) Creditor's ageing report;

c) Creditor's summary payments;

d) Daily invoices;

e) Reconciled reports for Travel Lodge card statement;

f) No show report;

g) Cancellation report;

h) Receipt delivery report;

i) Monthly Bank Settlement Plan (BSP) Report;

j) Refund Log;

k) Open voucher report, and

l) Open Age Invoice Analysis.

4.7.9 The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

## 4.8 Account Management

4.8.1 An Account Management structure should be put in place to respond to the needs and requirements of the Government Department and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.

4.8.2 The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the Eastern Cape Department of Health's account.

4.8.3 The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.

4.8.4 A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

4.8.5 Ensure that the Eastern Cape Department of Health's Travel Policy is enforced.

4.8.6 The Service Level Agreement (SLA) must be managed and customer satisfaction surveys conducted to measure the performance of the TMC.

4.8.7 Ensure that workshops/training is provided to Travellers and/or Travel Bookers

4.8.8 During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

## 4.9 Value Added Services

The TMC must provide the following value added services:

4.9.1 Destination information for regional and international destinations:

i. Health warnings;
ii. Weather forecasts;
iii. Places of interest;
iv. Visa information;
v. Travel alerts;
vi. Location of hotels and restaurants;
vii. Information including the cost of public transport;
viii. Rules and procedures of the airports;
ix. Business etiquette specific to the country;
x. Airline baggage policy; and
xi. Supplier updates

4.9.2 Electronic voucher retrieval via web and smart phones;

4.9.3 SMS notifications for travel confirmations;

4.9.4 Travel audits;

4.9.5 Global Travel Risk Management;

4.9.6 VIP services for Executives that include, but is not limited to check-in support.

## 4.10 Cost Management

4.10.1 The National Treasury cost containment initiative and the Eastern Cape Department of Health's Travel Policy is establishing a basis for a cost savings culture.

4.10.2 It is the obligation of the TMC Consultant to advise on the most cost effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.

4.10.3 The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.

4.10.4 The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with Eastern Cape Department of Health's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

## 4.11 Quarterly and Annual Travel Reviews

Quarterly reviews are required to be presented by the Travel Management Company on all Eastern Cape Department of Health travel activity in the previous three-month period. These reviews are comprehensive and presented to Eastern Cape Department of Health's

Procurement and Finance teams as part of the performance management reviews based on the service levels.

4.11.1.1 Annual Reviews are also required to be presented to Eastern Cape Department of Health's Senior Executives.

4.11.2 These Travel Reviews will include without limitation the following information:

4.11.2.1 Expenditure on Travel by officials (inside the borders of South Africa) Domestic,

4.11.2.2 Expenditure on Accommodation by officials (inside the borders of South Africa) Domesti,c

4.11.2.3 Expenditure on Car Rental by officials (inside the borders of South Africa) Domestic

Detailed Reports:

a. Total Travel Spend
b. Air spend analysis
c. Accommodation Spend analysis
d. Car hire spend analysis
e. Top travellers
f. Top suppliers
g. Top after hours users
h. Savings report
i. Refunds report
j. After hours report
k. Most common routes, Domestic and International
l. Number of transactions
m. Advance booking analysis

## 4.12 Office Management

4.12.1 The TMC to ensure high quality service to be delivered at all times to the Eastern Cape Department of Health's travellers. The TMC is required to provide Eastern Cape Department of Health with highly skilled and qualified human resources of the following roles but not limited to:

a. Consultants (x 5)

b. Admin Back Office (Creditors / Debtors/Finance Processors).

## 5 PRICING MODEL

Eastern Cape Department of Health requires bidders to propose two pricing models being the transactional fee model and the management fee model. Eastern Cape Department of Health will at their discretion select the best possible cost-effective solution.

### 5.1 Transaction Fees

**Refer Annexure A3: Pricing Schedule**

5.1.1 The **transaction fee must be a fixed amount per service**. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.

5.1.1.1 **Off-site option (Template 2)**

5.1.2 The Bidder must further indicate the estimated percentage split between Traditional booking and On-line bookings.

**AND / OR**

### 5.2 Management Fee

**Refer Annexure A3: Pricing Schedule**

5.2.1 The **management fee is the total fee per annum that will be charged to Eastern Cape Department of Health in twelve payments**. The Department will pay the fee monthly in arrears.

5.2.1.1 **Off-site option (Template 4)**

### 5.3 Volume driven incentives

5.3.1 It is important for bidders to note the following when determining the pricing:

i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;

**ii. No override commissions earned through Eastern Cape Department of Health reservations will be paid to the TMCs;**

**iii. An open book policy will apply and any commissions earned through the Eastern Cape Department of Health volumes will be reimbursed to Eastern Cape Department of Health.**

TMCs are to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution

# PART 5: BID SUBMISSION

1. Submissions are required as both a paper hard copy **and** digital soft copy of the pricing schedule.
2. Hard copy submissions must be made in a file that has dividers for the various sections as below.
3. Softcopies must be submitted on a usb stick that is firmly attached to the Bid file.
   a. All softcopy documents (scanned where required), including all quotes and pricelists must be submitted in pdf format.
   b. In addition, all quotes must be submitted in excel format as presented in theECDoH Pricing Schedule Document. The original format of the document must not be altered.
4. In order for the ECDoH to easily find and process documents it is requested that submissions for hard copy is made within the following clearly divided and labelled sections for hard copies:
5. Hard Copy Sections

   **Section A**
   **Bid document comprising the following:**
   - SBD 1
   - CSD REGISTRATION
   - DOCUMENTS RELATED TO SPECIFIC GOALS POINTS (PG 11)
   - SCHEDULE B: SBD 3.2
   - SCHEDULE C: SBD 4
   - SCHEDULE D: QUALIFICATIONS AND EXPERIENCE
   - SCHEDULE E: ORGANIZATION TYPE
   - SCHEDULE F: ORGANISATIONAL STRUCTURE
   - SCHEDULE G: DETAILS OF SUPPLIER'S NEAREST OFFICE
   - SCHEDULE H: FINANCIAL PARTICULARS
   - SCHEDULE I: SBD 6.1
6. Soft Copy Folders

   **Folder A**
   - SCHEDULE B: SBD 3.2 Pricing Schedule with original formats and formualas.

# PART 6: DOCUMENTS

## SCHEDULE A: GOVERNMENT PROCUREMENT

**General Conditions of Contract**

**Annexure A**

**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 (GCC) 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**

**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 sub Service Providers) 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 Service Provider 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 and claims arising under this warranty.

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

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

**16. Payment** 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

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

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

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

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

**21. Delays in the supplier's performance** 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its Sub Service Provider(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause

21.2 without the application of penalties.

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

**22. Penalties**

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

**23. Termination for default**

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

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

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

**24. Anti-dumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or antidumping 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 Service Provider to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the Service Provider 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 accrued hereafter 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.

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing Language**

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

**30. Applicable Law**

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

**31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and Duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder.
This certificate must be an original issued by the South African Revenue Services.

**33. National Industrial Participation (NIP) Programme**

33.1 The NIP Program me 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) / 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.

# SCHEDULE B: SBD 3.2

**PRICING SCHEDULE - NON-FIRM PRICES**
**(PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.
**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

| |
|---|
| Name of Bidder……………………………………………….Bid number……………………………… |
| Closing Time 11:00 ……………………. Closing date…………………………………………………. |

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

**PLEASE REFFER TO ANNEXURE A: PRICING SCHEDULE**

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

** “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

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. **IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES**

2. **IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:**

$$Pa = (1-V)Pt\left(D1\frac{R1t}{R1o} + D2\frac{R2t}{R2o} + D3\frac{R3t}{R3o} + D4\frac{R4t}{R4o}\right) + VPt$$

Where:

| | | |
|---|---|---|
| Pa | = | The new escalated price to be calculated. |
| (1-V)Pt | = | 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.** |
| D1, D2.. | = | Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%. |
| R1t, R2t...... | = | Index figure obtained from new index (depends on the number of factors used). |
| R1o, R2o | = | Index figure at time of bidding. |
| VPt | = | 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations. |

3. The following index/indices must be used to calculate your bid price:

Index.......... Dated.......... Index.......... Dated.......... Index.......... Dated..........

Index.......... Dated.......... Index.......... Dated.......... Index.......... Dated..........

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

| FACTOR (D1, D2 etc. eg. Labour, transport etc.) | PERCENTAGE OF BID PRICE |
|---|---|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. **Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.**

| PARTICULARS OF FINANCIAL INSTITUTION | ITEM NO | PRICE | CURRENCY | RATE | PORTION OF PRICE SUBJECT TO ROE | AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD |
|---|---|---|---|---|---|---|
| | | | | **ZAR=** | | |
| | | | | **ZAR=** | | |
| | | | | **ZAR=** | | |
| | | | | **ZAR=** | | |
| | | | | **ZAR=** | | |
| | | | | **ZAR=** | | |

2. **Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)**

| AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD: | DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE | DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE | DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE |
|---|---|---|---|
| | | | |
| | | | |
| | | | |

# SCHEDULE C: SBD 4

**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 interest 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 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 consortium 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 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 ENHANCING COMPLIANCE, TRANSPARENCY AND ACCOUNTABILITY IN SUPPLY CHAIN MANAGEMENT SHOULD THIS DECLARATION PROVE TO BE FALSE.

……………………………… ………………………………………………
Signature Date

……………………………… ………………………………………………
Position Name of bidder

## SCHEDULE D: QUALIFICATIONS AND EXPERIENCE

1. Details of the extent of the bidders activities and business, e.g. branches etc:

2. A list of existing /previous contracts relating to services which are similar to the Services:

| Description of Contract | Period | Contact Person & Tel No. |
|---|---|---|
| | | |
| | | |
| | | |

*(Please provide contactable references)*

3. The number of years that the bidder has been in the business of providing services which are materially the same as the Services:

4. The name of the person who shall manage the Services:

5. Detail such person's qualifications and experience below :

**SIGNATURE OF (ON BEHALF OF) BIDDER**

**NAME IN CAPITALS**

In the presence of:

1. ______________________

2. ______________________

## SCHEDULE E: ORGANIZATION TYPE

**PARTNERSHIP/CLOSED CORPORATION/COMPANY**
**(Delete which is not applicable)**

The bidder comprises of the following partners/members/directors:

1. NAME ______________________

   ADDRESS : ______________________

   ID NUMBER:______________________

2. NAME : ______________________

   ADDRESS : ______________________

   ID NUMBER:______________________

3. NAME : ______________________

   ADDRESS : ______________________

   ID NUMBER:______________________

4. NAME : ______________________

   ADDRESS : ______________________

   ID NUMBER:______________________

5. NAME : ______________________

   ADDRESS : ______________________

   ID NUMBER:______________________

______________________

**SIGNATURE OF (ON BEHALF OF) BIDDER**

______________________

**NAME IN CAPITALS**

In the presence of:

1. ______________________

2. ______________________

# SCHEDULE F: ORGANISATIONAL STRUCTURE

1. Provide full details of the organizational structure which will be utilized in the provision of the Services (including where appropriate an organogram)

______________________________

______________________________

**SIGNATURE OF (ON BEHALF OF) BIDDER**

______________________________

**NAME IN CAPITALS**

In the presence of:

1. ______________________________

2. ______________________________

# SCHEDULE G: DETAILS OF SUPPLIER'S NEAREST OFFICE

1. Physical address of supplier's office

____________________________________________________________

____________________________________________________________

____________________________________________________________

____________________________________________________________

____________________________________________________________

2. Telephone No of office: ____________________________

4 Time period for which such office has been used by supplier: ____________________

____________________________________________

**SIGNATURE OF (ON BEHALF OF) BIDDER**

____________________________________________

**NAME IN CAPITALS**

In the presence of:

1. ________________________________

2. ________________________________

## SCHEDULE H: FINANCIAL PARTICULARS

This schedule must be completed by the bidder and submitted together with the bid. **Documentary proof confirming availability of financial resources to execute the contract from the bidder's financial institution in the form of a 3 months bank statement or audited financial statements.** If this requirement is not complied with in full the bid may be considered invalid.

Nature of Service: ________________________________

Name of bidder: ____________________________

Bid Number: ________________________________________________

| | |
|---|---|
| | **FINANCIAL POSITION OF BIDDER**<br>I/we hereby certify that I/we have the necessary financial capacity and resources to execute the above contract successfully for the bid amount. I / we hereby attach letter confirming availability of financial resources from the financial institution. I / we give the ECDOH permission to contact the financial institution below to confirm the information provided.<br><br>In the absence of the above, a letter confirming that the bidder has applied for financial assistance from any financial institution and that the institution is willing to favourably consider such application in the event that the bidder is successful, will also satisfy the Department. |
| **NAME OF FINANCIAL INSTITUTION** | |
| **ADDRESS** | |
| **TEL.NO** | |
| **FAX NO** | |
| **CONTACT PERSON** | |

____________________________________

**SIGNATURE OF (ON BEHALF OF) BIDDER**

____________________________________

**NAME IN CAPITALS**

In the presence of:

1. ____________________________

2. ____________________________

## SCHEDULE I: 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 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**

The applicable preference point system for this tender is the 90/10 preference point system.

a) The 90/10 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** | **90** |
| **SPECIFIC GOALS** | **10** |
| **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 90/10 PREFERENCE POINT SYSTEMS

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

**90/10**

$$Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

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 90 points is allocated for price on the following basis:

**90/10**

$$Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)$$

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 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 claimed (90/10 system) (To be completed by the tenderer)** |
|---|---|---|
| Historically Disadvantage Individual – Race | 2 | |
| Women | 3 | |
| Disability | 3 | |
| Youth | 2 | |
| TOTAL | 10 | |

**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number: ....................................................................

4.5. TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

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

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

……………………………………….
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME**: ……………………………………………………….
**DATE:** ……………………………………………………….

**ADDRESS**: ……………………………………………………….
……………………………………………………….
……………………………………………………….
……………………………………………………….