

INVITATION TO SUBMIT BID PROPOSALS

Date issued: 28 May 2021



mdb
municipal demarcation board

1. Background

The Municipal Demarcation Board invites suitably qualified and experienced services providers to submit bid proposals to render Cleaning Services for the Municipal Demarcation Board (MDB) for a period of thirty two (32) months bearing Bid Number **MDB002 – 2021/2022**.

2. Terms of Reference

The scope (TOR) and approach and deliverables are contained in the Terms of Reference document. Bidders are requested to study and understand the TOR in order to submit responsive bids.

3. Briefing Session

No briefing session.

4. Bid submission

Original bids and proposals must be submitted at the offices of MDB and deposited in the tender box. Door to door deliveries by courier services are accepted, provided the bidder instructs the courier firm to deposit the bids in the tender box. The closing date is **22 June 2021 at 11h00**. Incomplete (non-responsive), late, faxed or emailed bids will **NOT** be accepted.

5. Reservation

The MDB reserves the right to withdraw this bid at any time before the award. The MDB also reserves the right not to award the contract with the highest points in terms of price and BBBEE. Bidders must be registered on the National Treasury Central Supplier Database at the time of award.

Issued by

MR MUTHOTH SIGIDI
CHIEF EXECUTIVE OFFICER
MUNICIPAL DEMARCATION BOARD

Chairperson: Mr Thabo Manyoni • Deputy Chairperson: Ms Mballi Myeni
Members: Ms Jane Thupana • Mr Albert Kekesi • Adv. Monnapula Motlogelwa • Ms Greta
Apelgren-Narkedien • Mr Themba Dubazana • Ms Mmatsie Mooki • Dr David Mohale
• Ms Namso Baliso

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349 Witch-Hazel Avenue
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REQUEST FOR PROPOSALS

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF CLEANING SERVICES AT THE MUNICIPAL DEMARCATION BOARD FROM 01 NOVEMBER 2021 TO 30 JUNE 2024, PERIOD OF THIRTY-TWO (32) MONTHS

CLOSING DATE: 22 JUNE 2021

CLOSING TIME: 11H00

BID REFERENCE NUMBER: MDB002: 2021/2022

All submission of proposals must be delivered at the MDB Offices on or before the closing date and time.

Office Details: Municipal Demarcation Board: Eco Origins Office Park, Block C1, 349 Witch-Hazel Street, Highveld Centurion.

Service Providers can send bid documents using door to door courier services but **NO** bid documents to be sent to the MDB postal address.

Submissions must be **STRICTLY** submitted inside the tender box which is situated at Reception Area on the Ground Floor; and accessible during official working hours between 08:00am to 16:30, Monday to Friday.

A TWO-ENVELOPE SYSTEM will be used for the submission of proposals/quotations, therefore submissions made by Service Providers **MUST** clearly state the description as well as the Bid Reference Number MDB002:2021/2022 on the envelope/s submitted. (Refer below to Bid Information)

Envelope 1: This envelope must contain **ALL** Technical Information on the provision of cleaning services on offer as indicated in the Request for Proposals Document.

Envelope 2: This envelope must contain the Pricing Schedule and B-BBEE as indicated in the Request for Proposals Document.

BIDDERS CHECKLIST

A. MANDATORY REQUIREMENTS

(Mark with an X where applicable)

NO	SIGNED MANDATORY REQUIREMENTS TO BE SUBMITTED BY BIDDER/S	YES	NO	Envelope
1.	Company Registration Certificate	X		Envelope 1
2.	National Contract Cleaners Association Membership	X		Envelope 1
3.	Tax Compliance Validation on CSD	X		Envelope 1
4.	Completed and Signed Bidders Documents and Checklist	X		Envelope 1
5.	SBD 1 and 2 Bidders Particulars Forms	X		Envelope 1
6.	SBD 3.1, 3.2 and 3.3 Pricing Schedules	X		Envelope 2
7.	SBD 6.1 Preference Point Claim Form	X		Envelope 2
8.	SBD 4, 8 and 9 Declaration Forms	X		Envelope 2
9.	Company Registration Certificate	X		Envelope 2
FAILURE TO SUBMIT THE ABOVE MANDATORY REQUIREMENTS WILL LEAD TO THE DISQUALIFICATION OF THE BIDDER				

.....
NAME OF BIDDER / REPRESENTATIVE

.....
SIGNATURE OF BIDDER / REPRESENTATIVE

DATE:

1. PURPOSE OF THE PROPOSAL

To appoint a service provider for the provision of cleaning services at the MDB.

1.1 Requirements for the Provision of Cleaning Services

The MDB requires a suitably compliant, qualified and experienced service provider to submit proposals to provide cleaning services for five (5) days a week, Monday to Friday at the offices of the MDB from 01 November 2021 to 30 June 2024, period of thirty-two (32) months.

2. SCOPE OF WORK/DELIVERABLES

2.1 Service Providers are invited to provide cleaning services for an area space of approximately 1600 m² floor space which entails cleaning of offices, boardrooms/meeting rooms, store-rooms, kitchens, passages/staircases, reception area, security area, balconies, basement area, toilets etc.

2.2 The potential service providers must provide three (3) trained and well-experienced cleaning personnel to perform the duties at the MDB premises.

2.3 The current leased office premises comprises of three (3) floors; and the services must include but not limited to the following:

2.3.1 DAILY DUTIES

Service providers must comply with the current COVID-19 regulations.

- Surface cleaning of all furniture, fittings and equipment in offices and work spaces.
- All dustbins must be emptied and cleaned at least twice daily.
- Paper/cartridges must be separated from the general garbage and put into recycle bins for disposal.
- The cleaning of toilets must receive preference followed by reception, offices, passages, kitchens, entrance halls and lifts.

- Cleaning of the kitchen/entertainment areas at least a minimum of three times daily.
- All toilets, basins and mirrors must be cleaned and disinfected at least a minimum of three times daily.
- Replenish consumables in toilets at least a minimum of three times daily.
- Sweep, scrub and polish floors of the lifts and clean mirrors and doors.
- All skirting, windowsills and doors must be cleaned.
- Venetian blinds must be cleaned and wiped.
- Air-refreshers must be sprayed in all toilets, conference rooms and waiting areas.
- Treating of rodents (rats, mice and crawling insects) as and when required. The pesticides must be odourless and SABS approved and not harmful to humans.
- Balconies must be swept and mopped.
- Wipe telephone instruments.
- Provide beverages to Executive, Senior Management and visitors.

2.3.2 WEEKLY DUTIES

- Vacuum all carpeted areas;
- Spot clean glass doors and glass partitions;
- Clean and polish chrome surfaces;
- The walls of the toilets must be cleaned and disinfected;
- Cleaning and dusting window blinds;
- Cleaning and polishing of furniture; and
- Remove stains on carpets/tiles.

2.3.3 MONTHLY DUTIES

- Clean and wipe all doors; and
- Clean windows in all public areas, foyers, passages, toilets etc.

2.3.4 QUARTELY DUTIES

- Clean all windows on the inside;
- Carpet/chairs wash; and
- Pest control/fumigation, a certificate must be submitted on completion.

2.3.5 BI-ANNUAL DUTIES

- Deep cleaning on all carpeted areas and tiled areas surface; and
- Deep cleaning of all toilets/washbasins, at the time to be agreed upon with the MDB.

2.3.6 REQUIRED CLEANING EQUIPMENT

The cleaning equipment must include, but not limited to the following:	
CLEANING EQUIPMENT	▪ Industrial/Office vacuum cleaner ▪ Industrial/Office machines for washing carpets/tiles ▪ Brooms / Hand dustpans / mops / dusters / short-long feather dusters / kitchen cloths / sponges, etc. for both bathrooms + kitchens ▪ Trolley buckets ▪ Step ladders ▪ Cleaning services signage

✓

2.3.7 REQUIRED DISPENSERS AND CONSUMABLES

	DISPENSERS / CONSUMABLES	QUANTITY
1.	All detergents and chemical used on site (MDB premises) must be SABS compliant; and A list of the detergents and chemical used must be displayed in the storage facility. Service providers must also use detergents and chemicals that are compliant as per the Occupational Health and Safety (OHS) regulations, regarding surface and floor cleaning of all open and closed spaces.	
2.	Auto-hand sanitizer dispensers, including monthly refills - inside and outside the main entrance on each floor	10 dispensers
3.	Hand paper towel dispensers and supply of hand paper towels (3 Kitchens + 1 Entertainment area)	4 dispensers
4.	Supply of hand wash dispensers and refills (3 Kitchens + 1 Entertainment area)	4 dispensers
5.	Hand paper towel dispensers and supply of hand paper towels (Bathrooms)	6 dispensers
6.	Supply of hand wash refills – Hand wash dispensers already installed (Bathrooms)	6 dispensers
7.	Supply of toilet paper (2ply) – Toilet paper dispensers already installed	15 toilets
8.	Wall waste-bins (Bathrooms)	6
9.	Sanitary/She bins and disposal packets – Female toilets	9
10.	Seat wipes/sprays and refills	15
11.	Toilet brush and holders	15
12.	Toilet air-fresheners: Auto-Dispenser (One dispenser per toilet) + refills	6 toilets
13.	Supply of urinal pee-mats	9 urinals

	NOTES: ▪ All required dispensers must be installed, removed, maintained, serviced and replaced by the service provider.
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2.3.7.1 The dispensers and consumables location per floor as follows:

DESCRIPTION	QUANTITY
Ground Floor	
Auto-hand sanitizer dispensers, including monthly refills - inside and outside the main entrance of the floor	4
Hand towel paper dispensers and supply of hand paper towels (Kitchen + Entertainment area)	2
Supply of hand wash dispensers and refills (Kitchen + 1 Entertainment area)	2
Hand paper towel dispensers and supply of hand paper towels (Bathroom)	2
Hand wash refill (Hand wash dispensers already installed) (Bathroom)	2
Toilet air-fresheners: Auto-Dispenser (Bathroom)	2
Toilet paper (Toilet paper dispensers already installed) (Bathroom)	5
Seat wipes (sprays) and refills (Bathroom)	5
Toilet brush and holders (Bathroom)	5
Wall waste-bins (Bathroom)	2
Sanitary/She bins (Bathroom)	3
Urinal pee-mats (Bathroom)	3
First Floor	
Auto-hand sanitizer dispensers, including monthly refills - inside and outside the main entrance of the floor	4
Hand paper towel dispensers and supply of hand paper towels (Kitchen)	1
Supply of hand wash dispenser and refills (Kitchen area)	1

Hand paper towel dispensers and supply of hand paper towels (Bathroom)	2
Hand wash refill (Hand wash dispensers already installed) (Bathroom)	2
Toilet air-fresheners: Auto-Dispenser (Bathroom)	2
Toilet paper (Toilet paper dispensers already installed) (Bathroom)	5
Seat wipes (sprays) and refills (Bathroom)	5
Toilet brush and holders (Bathroom)	5
Wall waste-bins (Bathroom)	2
Sanitary/She bins (Bathroom)	3
Urinal pee-mats (Bathroom)	3
Second Floor	
Auto-hand sanitizer dispensers, including monthly refills - inside and outside the main entrance of the floor	2
Hand paper towel dispensers and supply of hand paper towels (Kitchen)	1
Supply of hand wash dispenser and refills (Kitchen area)	1
Hand paper towel dispensers and supply of hand paper towels (Bathroom)	2
Hand wash refill (Hand wash dispensers already installed) (Bathroom)	2
Toilet air-fresheners: Auto-Dispenser (Bathroom)	2
Toilet paper (Toilet paper dispensers already installed) (Bathroom)	5
Seat wipes (sprays) and refills (Bathroom)	5
Toilet brush and holders (Bathroom)	5
Wall waste-bins (Bathroom)	2
Sanitary/She bins (Bathroom)	3
Urinal pee-mats (Bathroom)	3

2.3.7.2 During installation the above requirements must comply with OHS regulations.

3. EXPECTED OUTCOMES

- 3.1 All materials and cleaning equipment should be provided by the service provider. The MDB reserves the right to approve cleaning materials, pesticides and chemicals prior to the use thereof.
- 3.2 The successful service provider must ensure that surplus cleaning material are kept on site. Health and Safety requirements must be complied when storing of cleaning material. A lock up facility/room for the safekeeping of the cleaning material and equipment will be provided by the MDB.
- 3.3 Cleaning services will be rendered during working hours from 07h00 to 15h30 Monday to Friday, excluding weekends and public holidays, unless otherwise agreed upon by the MDB and the service provider. The service provider must ensure that the regulated working are adhered to.
- 3.4 Prepare the meeting rooms with teas, coffees, catering, etc. for all meetings held at the MDB.
- 3.5 The cleaning of the premises must be done in the following order of preferences on a daily basis:
- i. Toilets and Kitchens;
 - ii. Reception, Offices, Workstations and Meeting-rooms;
 - iii. Entrances/Passages/Staircases;
 - iv. Lifts; and
 - v. Store-rooms and Basement.
- 3.6 Fumigation of the building will be done over weekends and must be executed under full supervision by the service provider.
- 3.7 Cleaning personnel must dress in a distinctive acceptable company uniform and remain on site until the agreed upon time. Should the need arise, the service provider must provide personal protective clothing to his/her cleaning personnel.

- 3.9 The service provider's supervisor must conduct daily inspection on the quality and standard of cleaning services; and provide weekly reports to the service provider for reporting purposes to the MDB.
- 3.10 The service provider's supervisor must report on a daily basis to the MDB any defects such as blocked toilets/urinals, broken windows etc. during the cleaning of the building.
- 3.11 The service provider and staff may use the facilities on the property e.g. toilets, rest rooms, electrical plugs, lighting and water for the purpose of this contract subject to the rules and policy of the MDB and land lord as applicable.
- 3.12 All waste paper collected from emptying of dustbins etc. is the property of the MDB and must be separated from the garbage and disposed through MDB procedures.
- 3.13 The MDB would not be held responsible in any way for the damages, losses, theft of equipment or any valuables of the contractor or injury of his/her while on site or in the execution of their duties. The service provider will be held responsible for damages of items caused by them at the MDB's offices.
- 3.14 The contract would be entered into subject to the signing of the Service Level Agreement (SLA) by both parties.
- 3.15 The service provider will be responsible to submit monthly reports in relation to all services conducted, as well as engage formally with the responsible end-user of the services at the MDB.

4. SPECIAL INSTRUCTIONS TO BE SPECIFICALLY INCLUDED IN THE PROPOSAL

The service provider must comply with the following instructions to qualify as a bidder:

SPECIAL INSTRUCTIONS	YES/NO - COMMENTS
1) Public Liability	

i. The successful bidder shall at its own cost maintain public liability insurance for its own personnel against accidents, injury or death. Proof of which must be submitted with the bid proposal.	
2) Indemnity i. The service provider indemnifies the MDB, its officers, agents, employees, contractors, clients and sub-contractors against all liabilities, claims, actions, proceedings, damages, loss of earnings suffered or incurred by the MDB, its officers, agents, employees, contractors, clients and sub-contractors or paid by the MDB in consequence of or arising out of action or omission of all or any of the obligations or undertakings of the service provider in terms of, arising from or connected with this agreement.	
3) Security i. The successful bidder's employees shall be required to conform to the security regulations applicable to the MDB. The MDB shall provide details of its security arrangements to the successful bidder on commencement of the contract.	
4) Contract Period i. The contract period shall be for a period of thirty-two (32), months, subject to probation of six (6) months.	
5) Injury i. In the event of any of the successful bidder's employees being injured while on duty at the MDB's premises, the MDB reserves the right to supply any medical attention that may be deemed necessary without prior consent of the successful bidder. The MDB will under no	

circumstances and in no way be liable to any claims whatsoever that might stem from such help.	
6) National Contract Cleaners Association i. The organisation must be registered as a member of the National Contract Cleaners Association. Proof thereof, a copy of registration must be submitted with the bid proposal, if not your bid will be regarded as non-responsive.	
7) Acts and Regulations i. Occupational Health and Safety: The bidder must at all times comply with the provisions of the Occupational Health and Safety Act, 1993 with regards to safety and maintenance of equipment used. ii. Unemployment Insurance Fund and Worker's Compensation Fund – The bidder must be registered with the Unemployment Insurance Fund and Worker's Compensation Fund. iii. Minimum Wages: It is expected that the bidder shall pay his/her employees at least the minimum monthly basic wage in terms of Section 56 of the Basic Conditions of the Employment Act, 75 of 1997, as amended. iv. It is also expected that the bidder shall register his/her employees in accordance with Contract Cleaning National Provident Fund (CCNPF). v. A total number of three (3) cleaning personnel should be supplied to render services at the MDB's premises. vi. HR Matters: The bidder will be responsible of all HR related matters pertaining to his/her cleaning personnel.	

vii. To ensure that the service provider is compliant with legislative requirements, the MDB may annually seek personal information such as Police Clearance Certificate, Employment Contracts, etc.; from the Service Provider on his/her personnel employed at the MDB.	
8) Operational Planning/Work Plan i. An Operational/Work Plan sub-categorised into daily, weekly, monthly and quarterly is required to be submitted with the bid proposal.	
9) Uniforms i. The bidder shall undertake that, at the commencement of the contract, all cleaning staff are deployed in complete uniform; and when required personal protective equipment must be provided.	
10) Obligations of the Contractor i. The bidder hereby undertakes to render a cleaning service to the MDB that is in accordance with the relevant statutory framework. ii. The bidder will be responsible for the conduct and acts of his/her employees in all matters which occur at the MDB's premises in the performance of the contract. In addition, the bidder will audit cleaning standards regularly with the MDB according to an agreed method and time-table. iii. The bidder shall provide the MDB with well-trained employees that meets all the requirements as stipulated in the Terms of Reference.	

iv. The bidder shall provide its employees with all necessary skills required by the MDB at their expense.	
11) Quality of Cleaning Material and Equipment i. The bidder will at all times use good quality materials and equipment in accordance with SABS specification.	
12) Infrastructure Inspection The MDB reserves the right to conduct on-site inspection for the services rendered by the bidder as well as: i. Inspect the equipment provided by the contractor. ii. Make records of any shortage on site. iii. The right to dismiss the cleaner or site manager. iv. The MDB reserves the right to require from the bidder to replace/remove any of its employees from the MDB's premises. The MDB would not be held responsible for any damages or claims, which may arise because of this and is indemnified against such claims and legal expenses.	
13) Registration Certificates The following registration certificates must be submitted with the bid proposal, failure to do so, will invalidate the bid. i. Registration as employer with the Compensation Fund; ii. Unemployment Insurance Fund; iii. Registration with the National Contract Cleaners Association (NCCA); and iv. Compliance certificate from the CCNPF or exemption certificate from Board of Trustee of the CCNPF.	

5. COMPETENCY, EXPERTISE AND EXPERIENCE REQUIREMENTS

Basic competencies and expertise which may be required include, inter alia:

- 5.1 At least a minimum of five (5) years' experience is required and a minimum of three (3) references to be provided for similar cleaning services performed by the service provider.
- 5.2 The service provider must provide an Execution Plan as follows:
 - Detailed Project Plan with intermediate and final outputs and identified timeframes/milestones;
 - Management of the Project; and
 - Contingency plan.

6. GENERAL REQUIREMENTS

Bidders must provide all the information requested in the Terms of Reference and Instruction to Bidders:

- 6.1 The MDB reserves the right to procure any/or part of related cleaning services outside the contract, should the service provider not be able to provide such services in case of an emergency.

7. NOTES TO BIDDERS

- 7.1 Failure to accept these conditions will result in your proposal being excluded from the evaluation process.
- 7.2 The MDB will not be liable to reimburse any costs incurred by the bidder during the tender process.
- 7.3 Evaluation of tenders will be carried out by a Tender Evaluation Committee. The evaluators will, if necessary, contact bidders to seek clarification of any aspect of the tender.
- 7.4 Bidders should identify any work they are currently carrying out or competing which could cause a conflict of interest and indicate how such conflict could be avoided.

8. PAYMENT TERMS

- 8.1 The SLA entered into by the MDB and the service provider is a fixed contract for a period of thirty-two (32) months, therefore, the service provider must take into account in their tender proposal all annual increases that may affect the services during the tenure.
- 8.2 The MDB undertakes to pay valid invoices in full within 30 (thirty) days from the date of invoice for work completed in that month in line with the SLA.
- 8.2 All payments to the service provider will be made within thirty (30) days from receipt of a valid invoice **ONLY** when services have been fully rendered; and all queries raised have been resolved for that month.

9. VALIDITY OF PROPOSALS

- 9.1 The Bidder is required to confirm that it will hold its proposal valid for ninety (90) days from the closing date of submission, during which time it will maintain the original proposal submitted.

10. APPOINTMENT, COMMENCEMENT AND DURATION

- 10.1 The service provider will be appointed for a period of thirty-two (32) months effective from the date of signing the SLA and shall be terminated as soon as the contract concludes.

11. TAX COMPLIANCE REQUIREMENTS

- 11.1 It is an absolute requirement that the taxes of the successful bidder **MUST** be in order prior to appointment. Such verification will be done through Central Supplier Database of the National Treasury.

12. QUALITY ASSURANCE REVIEWS OF THE WORK

- 12.1 The successful bidder shall ensure that all work conforms to the signed SLA.

13. AUTHORISED DELEGATE (S)

- 13.1 Nothing as stipulated in these Terms of Reference may be amended without the written confirmation from the Chief Executive Officer and/or the Chief Financial Officer and/or the responsible Senior Manager for the provision of cleaning services.

14. EVALUATION PROCESS

Provision of the Preferential Procurement Policy Framework Act No. 5 of 2000: Preferential Procurement Regulations of 2017 will be applied.

COMPLIANCE WITH MINIMUM REQUIREMENTS

- 14.1 All bids duly lodged will be examined to determine compliance with bidding requirements and conditions (completion and attachment of compulsory documents). Bids with obvious deviations from the requirements/conditions will be eliminated from Stage 1 of the evaluation process.

ELIMINATION OF PROPOSALS ON GROUNDS OF FUNCTIONALITY

- 14.2 Bidders who obtain at least 70% for functionality will proceed to Stage 2 Price and B-BBEE Status Level of Contributor.

ADJUDICATION OF BID

- 14.3 The Bid Adjudication Committee will consider the recommendations from the Bid Evaluation Committee; and make further recommendations to the Accounting Officer for the appointment of a service provider for the provision of cleaning services at the MDB.

15. EVALUATION CRITERIA

- 15.1 The Bidders are required to use the two-envelope bidding system, **Envelope 1: Technical Proposal (Stage 1); and Envelope 2: Pricing and B-BBEE (Stage 2)** clearly marked as such:

15.2 The Bidder must clearly indicate the requirements of the criterion as stipulate below.

STAGE 1: FUNCTIONALITY

NO.	CRITERION	WEIGHT	VALUE RATING 0-5
SUITABILITY			
1.	Company Experience: - At least a minimum of five (5) years' experience is required; and - Minimum of three (3) references to be provided for similar services performed by the service provider.	30	5: Minimum of 5 years' experience and minimum of 3 references. 4: Minimum of 4 years' experience and minimum of 3 references. 3: Minimum of 3 years' experience and minimum of 2 references. 2: Minimum of 2 years' experience and minimum of 1 reference. 1: Minimum of 1 years' experience and minimum of 1 reference. 0: Non-compliant of criterion.

2.	- Compliance in terms of Required Cleaning Equipment and Dispensers and Consumables as indicated in 2.3.6 and 2.3.7; and - Expected outcomes as indicated in 3.	25	5: Fully compliant with criterion as indicated in 2.3.6; 2.3.7 and 3. 4: 95% compliant with criterion as indicated in 2.3.6; 2.3.7 and 3. 3: 90% compliant with criterion as indicated in 2.3.6; 2.3.7 and 3. 2: Below 90% compliant with criterion as indicated in 2.3.6; 2.3.7 and 3. 1: Below 50% criterion information submitted. 0: Non-compliant of criterion.
3.	Compliance with all legal/legislative requirements as indicated in 4 "Special Instructions to be specifically included in the proposal".	15	5: Fully compliant with criterion as indicated in 4. 4: 95% compliant with criterion as indicated in 4, with

			the intention of rectifying shortfalls. 3: 90% compliant with criterion as indicated in 4 with the intention of rectifying shortfalls. 2: Below 90% compliant with criterion as indicated in 4. 1: Below 60% compliant with criterion as indicated in 4. 0: Non-compliant of criterion.
TECHNICAL APPROACH			
4.	Detailed project plan outlining the daily, weekly, monthly, quarterly, bi-annual duties of the cleaning schedule with reference to 2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5; and 5.2 as follows: ▪ Project plan with final outputs and identified timeframes; ▪ Management of the Project; and ▪ Contingency Plan.	15	5: Fully compliant with criterion. 4: 90% compliant with criterion. 3: 95% compliant with criterion. 2: Below 90% compliant with criterion.

			1: Below 60% compliant with criterion. 0: Non-compliant of criterion.
CAPABILITY OF STAFF			
5.	Experience of the supervisor (minimum 5 years); and cleaning personnel (minimum 3 years) as suggested for this project.	15	5: Supervisor minimum of 5 years' experience and cleaning personnel minimum of 3 years' experience. 4: Supervisor 4 years' experience and cleaning personnel 3 years' experience. 3: Supervisor 3 years' experience and cleaning personnel 3 years' experience. 2: Supervisor 2 years' experience and cleaning personnel 2 years' experience. 1: Supervisor 1 year experience and

			cleaning personnel 1 year experience.
			0: Non- compliant of criterion.
TOTAL FUNCTIONALITY			100

Bidders who fail to meet the minimum score of 70 points out of 100 points in Stage 1 shall not be considered for evaluation in terms of Stage 2 (Price and B-BBEE):

STAGE 2: PRICE AND B-BBEE STATUS LEVEL OF CONTRIBUTOR

80/20 PREFERENCE POINTS SYSTEM:

The rand value, including all applicable taxes, for the application of the 80/20 preference point system will be utilized.

In applying the preference point system, 80 points are allocated to a tenderer who submits the lowest acceptable tender price and a maximum of 20 points may be awarded to a tenderer for B-BBEE status level of contributor.

Both the points allocated for price (80) and the B-BBEE points (20) are combined or calculated to a total out of 100, and the tender must be awarded to the tenderer who scores the highest number of total points.

In the case of a joint venture partnership, treasury regulations will be applied.

STAGE 3: SITE INSPECTION CHECKLIST

A non-scoring method will be conducted during the site inspection with the top three (3) short-listed bidders and the following checklist will be used to evaluate the infrastructure of the short-listed bidders:

CHECKLIST	YES / NO
Dedicated office space with the following communication system: i. Official place of work; ii. Official business line;	

iii. E-mail facility; and	
iv. Postal service (if available).	
Quality of chemical (SABS) approved.	
Storage space to keep chemical in stock.	
Availability and condition of equipment for cleaning purposes (as per SABS specification approval).	
i. Business processes and systems in place;	
ii. Business Letterhead;	
iii. Availability and correctness of personnel management records; and	
iv. Invoices; etc.	

16. MAINTENANCE OF THE SERVICE LEVEL AGREEMENT (SLA)

16.1 A Service Level Agreement (SLA) will be entered into between the Municipal Demarcation Board and the successful bidder for the duration of the contract, subjected to probation of six (6) months.

16.2 The service provider will sign a confidentiality agreement regarding the protection of MDB information.

16.3 Quarterly performance review on the provisions in the SLA will be conducted by the MDB by the relevant Units.

17. MANDATORY REQUIREMENTS

The following shall apply:

17.1 A compulsory site inspection will be conducted by MDB officials to confirm the infrastructure capabilities for top three (3) short-listed bidders.

17.2 The MDB reserves the right to conduct security background checks in respect of the selected bidders and their Directors.

17.3 Appointment of the successful bidder will be done subject to positive background checks.

18. FORMAT AND SUBMISSION OF THE PROPOSAL

18.1 All the official forms (SBD) must be completed and signed in all respects by the bidder. Failure to comply will invalidate a bid.

18.2 To ensure that bid proposals are **NOT** tampered with during the Bid Evaluation Process, bidders are kindly requested to submit **Five (5)** copies of the technical proposal. Failure to comply will invalidate the bid.19.

19. BID INFORMATION

TWO (2) ENVELOPE SYSTEM: The complete submission must be returned to:

Municipal Demarcation Board
Eco Origins Office Park, Block C1, 349 Witch-Hazel Street, Highveld, Centurion
Attention: Supply Chain Management Unit

20. DISCLAIMER

20.1 Whilst the MDB is issuing this Request for Proposals (RFP) in good faith, it reserves the right to cancel the selection process; and reserves the right not to select or appoint any of the bidders to the RFP and is also not obliged to provide reasons for the rejection of any proposals.

The MDB also reserves the right:

- The MDB reserves the right to reduce / increase the required service during the contract period, thirty (30) days written notice to be given.
- To negotiate cost for the provision of cleaning services to be rendered; and negotiate an acceptable solution with one or more potential bidders.
- Not to consider any proposals that do not conform to any aspect of the bidding requirements, as well as request further information from any bidders after the closing date.
- To cancel this tender and or any part thereof at any time.

21. TERMINATION OF THE CONTRACT

21.1 The contract will be terminated immediately should the successful bidder no longer qualify as a service provider in terms of the requirements in the bid proposal.

21.2 Any amendment or waiving of the stipulations of the SLA must occur in writing by mutual consent between the MDB and the successful bidder.

22. BIDDERS NOTIFICATION

22.1 The SCM Unit will notify unsuccessful bidders by e-mail.

23. CONTACT DETAILS

23.1 For all related queries, please contact the Supply Chain Management Unit, Mr Abel Maluleka via e-mail Abel@demarcation.org.za or alternatively on 012-342 2481 between 08:00am to 16:30pm, Monday to Friday, telephonic enquiries should be reduced to writing; and send to the above e-mail address.

23.2 For additional information visit the MDB website at www.demarcation.org.za.

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MUNICIPAL DEMARCATION BOARD					
BID NUMBER: MDB002-2021-2022		CLOSING DATE: 22-06-2021		CLOSING TIME: 11:00	
DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE CLEANING SERVICES AT THE MUNICIPAL DEMARCATION BOARD (MDB) FOR A PERIOD THIRTY-TWO (32) MONTHS					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Block C1 Eco Origin					
349 Witch-Hazel Avenue					
Highveld					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr Abel Maluleka		CONTACT PERSON	Mr Abel Maluleka	
TELEPHONE NUMBER	012 342 2481		TELEPHONE NUMBER	012 342 2481	
FACSIMILE NUMBER	012 342 2480		FACSIMILE NUMBER	012 342 2480	
E-MAIL ADDRESS	Abel@demarcation.org.za		E-MAIL ADDRESS	Abel@demarcation.org.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		(TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

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

DATE:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

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

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

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

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

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

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

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

*Delete if not applicable

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: MDB002- 2021/2022
CLOSING TIME 11:00	CLOSING DATE: 22 June 2021

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R.....	 days
	.....	R.....	 days
	.....	R.....	 days
	.....	R.....	 days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY AMOUNT
	.....	.....	..... R.....
	.....	.....	..... R.....
	.....	.....	..... R.....
	.....	.....	..... R.....
		TOTAL: R.....	

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

Name of Bidder:

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

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

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

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

Department: MUNICIPAL DEMARCATION BOARD**Contact Person: Mr Abel Maluleka**

Tel: 087 150 4418 (direct)
012 342 2481 (switchboard)

Fax: 012 342 2480**E-mail address: Abel@demarcation.org.za**

Or for technical information –

Contact Person: Mr Abel Maluleka

Tel: 087 150 4418 (direct)
012 342 2481 (switchboard)

Fax: 012 342 2480**E-mail address: Abel@demarcation.org.za**

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:
 - 2.3 Position occupied in the Company (director, trustee, shareholder²):
 - 2.4 Company Registration Number:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES / NO

2.7.2.1 If yes, did you attached proof of such authority to the bid document? YES / NO

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

```
.....  
.....  
.....
```

YES/NO

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.....  
.....  
.....
```

YES/NO

.....
.....
.....

[illegible]

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender *(delete whichever is not applicable for this tender)*.

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME ✓	QSE ✓
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of
company/firm:.....

8.2 VAT registration
number:.....

8.3 Company registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

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

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

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

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

Js General Conditions of Contract (revised July 2010)