REQUEST FOR PROPOSAL

The Gauteng Partnership Fund (GPF) invites all interested parties to submit bids for requirements stipulated below:

BID REFERENCE NUMBER:	**RFP006/2021**
CLOSING DATE:	**25 June 2021**
CLOSING TIME	**11:00**
RFP VALIDITY PERIOD	**90 Days**
DESCRIPTION	**THE APPOINTMENT OF AN INTERNAL AUDIT SERVICES PROVIDER FOR A PERIOD OF 3 YEARS (36 MONTHS)**
BID PERIOD	**36 months**
BRIEFING SESSION	**No briefing session**
QUESTIONS AND ANSWERS **Closing Date**	**18 June 2021**
Q & A RESPONSE	**21 June 2021**
ENQUIRIES	**Supply Chain Management Enquiries:** Nokuthulam@gpf.org.za **Technical Enquiries:** Galeboem@gpf.org.za

GAUTENG PARTNERSHIP FUND

SBD1

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)

BID NUMBER:	**RFP006/2021**	CLOSING DATE:	**25 June 2021**	CLOSING TIME:	11:00
DESCRIPTION	**THE APPOINTMENT OF AN INTERNAL AUDIT SERVICES PROVIDER FOR A PERIOD OF 3 YEARS (36 MONTHS)**				

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

Reception Area,

West wing,1st floor,

82 Grayston Drive, sandton

2031

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	Nokuthula Mqwashi	CONTACT PERSON	Nokuthula Mqwashi
TELEPHONE NUMBER	**011 685 6627**	TELEPHONE NUMBER	**011 685 6627**
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	nokuthulam@gpf.org.za/ tenders@gpf.org.za	E-MAIL ADDRESS	nokuthulam@gpf.org.za/ tenders@gpf.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: ……………………………………………...

Terms of Reference for appointment of Internal Audit Services

TABLE OF CONTENTS

1. OBJECTIVES

GPF intends to utilise the internal audit services and expertise of an external and reputable service provider who will take responsibility for planning, execution and reporting to the Audit Committee and Board. The internal audit services also help to ensure that the requirements of Section 51(1) (a) (ii) of the PFMA, as well as Treasury regulation 27.2.1 to 27.2.11 and all other relevant regulations are complied with.

2. ROLE AND OBJECTIVES OF INTERNAL AUDIT

In terms of the Public Finance Management Act, GPF should have an effective internal audit function, which should also comply with the Institute of Internal Auditors (IIA) standards. The internal audit function should assist the Accounting Authority in maintaining effective controls by evaluating such controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement thereof. The controls environment, subject to evaluation of other areas, should encompass the following:

- The information systems environment
- The reliability and integrity of financial and operational information
- The effectiveness of operations
- Compliance with policies, regulations, and other operations prescripts
- The safeguarding of assets; and
- The economical and efficient use of resources
- The internal audit should update the internal Audit Charter on an annual basis for approval by the Audit Committee and Board. The Charter should comply with the requirements of the PFMA and the IIA standards as a minimum.

3. SCOPE OF WORK AND DELIVERABLES

The internal audit must be conducted in accordance with the standards for the professional practices of internal auditing and the code of ethics set by the Institute of Internal Auditors (IIA). The scope of work and deliverables include, but are not limited to the following:

- Determine whether GPF ‘s risk management, control and governance processes, as designed and represented by management, are adequate and functioning in a manner to ensure risks are appropriately identified and managed.
- That significant financial, operating and managerial information is accurate, reliable and presented in a timely manner.
- That resources are acquired economically, used efficiently and adequately protected.
- That significant legislative or regulatory issues impacting the organisation are recognised and addressed properly and timeously.
- Prepare a rolling 3-year strategic internal audit plan based on its assessment of key areas of risk for GPF, having regard to its current operations, the operations proposed in its strategic plan and its risk management strategy.
- Prepare an internal audit plan for the first year of the rolling plan.
- Prepare plans indicating the scope of each audit in the annual internal audit plan.
- Report to the Audit Committee and Board detailing its performance against the plan, to allow effective monitoring and intervention where necessary.
- Report directly to the Accounting Authority of GPF and report at all Audit Committee meetings.
- Quality and continuous improvements are fostered in the GPF’s control processes and that the robustness of controls is thoroughly tested. Where necessary make recommendations to assist the organisation in the enhancement and development of tighter and more robust controls.

4. QUALITY ASSURANCE REVIEWS OF THE WORK

The auditor shall ensure that all work conforms to the standard for the professional practice of the Institute of Internal Auditing (IIA). Such work may further be subject to an external quality review as may be considered necessary.

5. MONITORING PROGRESS OF ASSIGNMENTS

- On completion of each assignment, the auditor shall distribute the report to the Audit Committee, Board and the Accounting Officer.
- On a monthly basis, the auditor shall prepare an activity progress report to the Accounting Officer and on a quarterly basis prepare a report to the Audit Committee and Board on progress against the approved plan and budget, significant findings and administrative matters.

6. INDEPENDENCE AND OBJECTIVITY OF AUDIT STAFF

- In carrying out the audit work, the auditor must ensure that audit staff maintain their objectivity by remaining independent of the activities they audit. The audit consultant shall:
- Have no executive or managerial powers, functions or duties except those relating to internal audit.
- Not be involved in the day-to-day operations of GPF
- Not be responsible for the detailed development or implementation of new systems and procedures.

7. EXPECTED OUTCOMES AND DELIVERABLES

- Three (3) year rolling plan
- Annual Risk Assessment report and risk registers (80 hours per annum)
- Audit of risks mitigates identified (120 hours per annum)
- Litigation progress audit (80 hours per annum)
- Debt collection audit (80 hours per annum)
- Board resolution audit (80 hours per annum)
- Enforcement of legal agreement audit (80 hours per annum)
- Quarterly/annual performance information audit (core business units) (160 hours per annum/ 40 hours per quarterly)
- SCM compliance audit (80 hours per annum)
- Financial policy compliance audit (80 hours per annum)
- Pre- investment audit (80 hours per annum)
- Construction/Property development audit (80 hours per annum)
- Post investment audit (80 hours per annum)
- Payroll audit (80 hours per annum)
- Staff KPI/performance contract (80 hours per annum)
- PFMA and Treasury regulation compliance audit (80 hours per annum)
- Review of quarterly interim and annual financial statements (96 hours per annum)
- Policy and internal controls review audit (120 hours per annum)
- Governance audits (80 hours per annum)
- Fraud and corruption prevention plan (100 hours per annum)

- IT audit (80 Hours per annum)
- Follow up audits (160 hours per annum)
- AGSA post audit action implementation audits (100 hours per annum)
- Adhoc requests (100 hours)
- Audit Committee attendance

8. AUDIT PLANS AND REPORTS

Audit plans and reports will consist of the following:

- Minutes of initial meeting
- System description(s)
- Risk assessment document
- Audit programme(s)
- Sampling methodology and sample size
- Record of work performed
- Mechanisms for follow-up on matters previously reported and feedback to the Audit Committee and Board
- Audit findings and recommendations on compliance with policies, standard procedures, best practise and applicable laws and regulations.
- Reporting (draft internal audit report and final internal audit report)

The Structure of the report is to be as follows:

- Introduction
- Audit objective and scope
- Executive summary highlighting significant findings
- Findings, recommendations, and management response (including implementation dates)
- Conclusion

The Chief Internal Auditor is to provide to the Chairperson of the Audit Committee, Board, and the Accounting Officer an electronic copy and a signed copy of the final report.

9. PRICING SCHEDULE

	YEAR 1 **Cost per assignment (including VAT)**	**YEAR 2** **Cost per assignment (including VAT)**	**YEAR 3** **Cost per assignment (including VAT)**
Annual Risk Assessment report and risk registers (80 hours per annum)	R	R	R
• Audit of risks mitigates identified (120 hours per annum)	R	R	R

• Litigation progress audit (80 hours per annum)	R	R	R
• Debt collection audit (80 hours per annum)	R	R	R
• Board resolution audit (80 hours per annum)	R	R	R
• Enforcement of legal agreement audit (80 hours per annum)	R	R	R
• Quarterly/annual performance information audit (core business units) (160 hours per annum/ 40 hours per quarterly)	R	R	R
• SCM compliance audit (80 hours per annum)	R	R	R
• Financial policy compliance audit (80 hours per annum)	R	R	R
• Pre- investment audit (80 hours per annum)	R	R	R
• Construction/Property development audit (80 hours per annum)	R	R	R
• Post investment audit (80 hours per annum)	R	R	R
• Payroll audit (80 hours per annum)	R	R	R
• Staff KPI/performance contract (80 hours per annum)	R	R	R
• PFMA and Treasury regulation compliance audit (80 hours per annum)	R	R	R

• Review of quarterly interim and annual financial statements (96 hours per annum)	R	R	R
• Policy and internal controls review audit (120 hours per annum)	R	R	R
• Governance audits (80 hours per annum)	R	R	R
• Fraud and corruption prevention plan (100 hours per annum)	R	R	R
• IT audit (80 Hours per annum)	R	R	R
• Follow up audits (160 hours per annum)	R	R	R
• AGSA post audit action implementation audits (100 hours per annum)	R	R	R
• Adhoc requests (100 hours) • Audit Committee attendance	R	R	R
Total cost for year (Incl VAT)	R	R	R
Total cost for all 3 years (cumulative) (Incl VAT)			R

Average Hourly Rate The hourly fee rates must be compliant with Department Public Services and Administration (DPSA).

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

…………………………………..

Signature & Date

…………………………………………

Position & Name of Bidder

10. EVALUATION

The bidders will be evaluated in the following stages:

Stage 1: Administration and compulsory documents

Stage 2: Functionality

Stage 3: Price and Preference

1. Stage 1 – Administration and compulsory documents

Bidders will first be evaluated in terms of the gatekeeper/minimum requirements on page 7 to 9 of this document. The below mentioned criteria regarding Functionality is required for responsiveness and therefore eligibility for the next stage of evaluation. This is done to determine the ability of each bidder to successfully execute the contract according to the Scope of Works. Failure to score the minimum of **70 points** on the items listed below will lead to non – compliance and bidders will not be considered for further evaluation. Those who fulfil all the requirements will be further evaluated on functionality.

a) Administration documents

Bidders are required to, together with their bids submit:

- Bidders are required to submit a soft copy of their Bids in a PDF format in USB together with the manual document which is the original hard copy.

  - Companies & Intellectual Property Commission (CIPC) document.
  - Central Supplier Database document.
  - A valid tax compliance status pin.
  - An original and valid B-BBEE Certificate.
  - Tenderers who qualify as Exempted Micro Enterprises (EME) must submit a valid original Sworn Affidavit signed by the EME representative and attested by a Commissioner of Oaths in line with the justices of the Peace and Commissioners of Oaths Act, 1963. Alternatively, the bidder must submit a valid B-BBEE Certificate for Exempted Micro Enterprises issued by the Companies & Intellectual Property Commission (CIPC) on behalf of the Department of Trade and Industry (This certificate serves as a sworn affidavit in terms of Code Series 000, Section 4.5 of the Amended codes 2013.)

- In the case of Qualifying Small Enterprises (QSE), if the bidding entity is more than 51% black owned, then no B-BBEE Certificate is required as a valid original Sworn Affidavit signed by the QSE representative and attested by a Commissioner of Oaths in line with the justices of the Peace and Commissioners of Oaths Act, 1963 will suffice. If the QSE is less than 51% black owned, then the bidding entity will be required to provide an original and valid B-BBEE Certificate (issued by an agency accredited by SANAS).
- Only B-BBEE Status Level Verification Certificates issued by agencies accredited by SANAS will be awarded.
- In case of a trust, consortium or joint venture, such bidders must submit a valid consolidated B-BBEE Status Level Verification Certificate issued by an agency accredited by SANAS will be accepted.

  Note that an original sworn affidavit as explained above is to be signed by a commissioner of oath at the same date as deponent. (No copy of sworn affidavit will be accepted) NB! Failure to submit (An original and valid B-BBEE Certificate or original sworn affidavit) bidders will forfeit B-BBEE points)

b) Compulsory documents

Bidders are required to fully complete and submit **all** Standard Biding Documents (SBDs). The standard bid documents are as follows:

- SBD 1: Invitation to Bid.
- SBD 3.3: Pricing schedule (professional services).
- SBD 4: Declaration of Interests Form.
- SBD 6.1: Preference Points Claim Form in terms of PPPFA, 2011.
- SBD 8: Abuse of Supply Chain Management System.
- SBD 9: Certificate of Independent Bid Determination.
- In case of a trust, consortium or joint venture, such bidders must submit a consortium or joint venture agreement.

NB! Forms must be fully completed and signed.

FAILURE TO SUBMIT THE REQUIRED COMPULSORY DOCUMENTS WILL RESULT IN A BIDDER BEING DISQUALIFIED.

NB! Suppliers should submit a self- evaluation of functionality scoring.

2. Stage 2 – Functionality

Functionality is worth 100 points. The minimum threshold is **70 points**. Bidders who score less than **70 points** on functionality will therefore be disqualified. Those who score **70 points,** or more will further be evaluated in terms of price and preference evaluation. The functionality evaluation is broken down as follows:

1) **Past Relevant Experience (Attach signed reference letter from clients whereby similar internal audit services where provided. Please note the following: Bidders must have specific experience and submit recent (not older than 10 years) references limited to 2 (Two) per client, in respect of similar work undertaken (the references must be in the form of written proof(s) on the client referees' letterheads. The references MUST include the relevant contact person, nature of service, contract amount, and commencement date, duration of contract, telephone numbers and email addresses). No appointment letters will be accepted**	**Total – 25 points (maximum points)**
• Submission of 5 or more written testimonials demonstrating provable experience related to PFMA and Treasury regulations internal audit projects	**15 points (maximum points)**
• Submission of 3 to 4 written testimonials demonstrating provable experience related to PFMA and Treasury regulations internal audit projects	**10 points**
• Submission of 1 to 2 written testimonials demonstrating provable experience related to PFMA and Treasury regulations internal audit projects	**2 points**
• Submission of 0 written testimonials demonstrating provable experience related to PFMA and Treasury regulations internal audit projects	**0 points**
• Submission of 2 or more written testimonial demonstrating provable experience related to auditing of property construction and development finance experience	**10 points (maximum points)**
• Submission of 1 written testimonial demonstrating provable experience related to auditing of property construction and development finance experience	**5 points**
• Submission of 0 written testimonial demonstrating provable experience related to auditing of property construction and development finance experience	**0 points**
2) **Methodology and Project Approach**	**20 points (maximum points)**
Demonstrate understanding of the project at hand i.e. in terms of provision of the internal audit assignment. The bidders must indicate in methodology and assignment approach, the understanding of internal audit function. • Internal Audit principles (4 Points) • Risk assessment approach (4 Points) • Audit programme(s) (4 Points) • Sampling methodology (4 Points) • Mechanisms for follow-up on matters previously reported and feedback to the Audit Committee (4 Points)	**20 points – Conforms will all bullet points indicated** **16 points – Only conformed with 4 bullet points indicated** **12 points – Only conformed with 3 bullet points indicated** **8 points – Only conformed with 2 bullet points indicated** **4 points – Only conformed with 1 bullet point indicated** **0 points – Only conformed with 0 bullet points indicated**

Qualifications and Experience of the team that will provide the service Total - 55 points. Specific Team Experience and Qualification ***3)*** **Bidder MUST submit their CV's which include:** - **Certified qualifications** - **Letters of good standing with registered associations** - **Names of companies previously worked at with duties performed.** -	**Total – 55 maximum points**
3 (a) Proposed Director in possession of CA (SA) with 10 years' experience as CA(SA). (Proof of admittance as a member of SAICA as a CA (SA)	**15 points (maximum points)**
• Proposed Director in possession of CA(SA) with 5 to 9 years' experience as CA(SA). (Proof of admittance as a member of SAICA as a CA (SA))	**10 points**
• Proposed Director in possession of CA(SA) with 1 to 4 years' experience as CA(SA). Proof of admittance as a member of SAICA as a CA (SA))	**5 points**
• Proposed Director in possession of CA(SA) and has less than 1 years' experience as CA(SA). Proof of admittance as a member of SAICA as a CA (SA))	**0 points**
3 (b) Proposed company has 10 years internal audit experience (company history must be provided with CIPC document)	**15 points (maximum points)**
• Proposed company has 5 to 9 years internal audit experience (company history must be provided with CIPC document)	**10 points**
• Proposed company has 1 to 4 years internal audit experience. (company history must be provided with CIPC document)	**5 points**
• Proposed company has less than 1 year's internal audit experience. (company history must be provided with CIPC document)	**0 points**
3 (c) Proposed Project Manager has CIA and average post articles with 10 years' experience as a CIA. (Proof of admittance as a member of CIA)	**15 points (maximum points)**
• Proposed Project Manager has CIA and average post articles with 5 to 9 years' experience as a CIA. (Proof of admittance as a member of CIA)	**10 points**
• Proposed Project Manager has CIA and average post articles with 1 to 4 years' experience as a CIA. (Proof of admittance as a member of CIA)	**5 points**
• Proposed Project Manager has CIA and has less than 1 years' experience as a CIA. (Proof of admittance as a member of CIA)	**2 points**
3 (d) Proposed Internal Audit Capacity – Internal audit firm has more than 25 auditors (Organogram to be provided)	**10 points**
• Proposed Internal Audit Capacity – Internal audit firm has between 15 and internal 25 auditors (Organogram to be provided)	**5 points**
• Proposed Internal Audit Capacity – Internal audit firm has less than 15 internal auditors (Organogram to be provided)	**0 points**

FAILURE TO PROVIDE RELEVANT INFORMATION IN RELATION TO THE EVALUATION CRETERIA WILL RESULT IN NO POINTS BEING ALLOCATED.

3. Stage 3 – Price and Preference Evaluation

Those who score 70 points or more on functionality will be further evaluated in terms of Price and Preference points (B-BBEE status level of contributor) 80/20 system will be used. As per the table below, price is evaluated over 80 points and preference points over 20

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 (80/20 system)	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-Compliant	0

The following formula will be used to calculate the points for price

80/20

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where Ps = Points scored for price of tender under consideration

Pt = Rand value of tender under consideration

Pin = Rand value of highest acceptable tender

11. NON-COMMITMENT

11.1 GPF reserves the right to cancel the tender, in line with the Preferential Procurement Policy Framework Act (PPPFA) ACT,2000: Preferential Procurement Regulations,2017, Paragraph 13.

11.2 The GPF reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference prior to the closing date.

11.3 The cost of preparing bids will not be reimbursed.

12. REVIEW PROCESS

12.1 Documents submitted on time by bidders shall not be returned and shall remain the property of the GPF.
12.2 All bids duly lodged will be evaluated in accordance with the evaluation criteria.

13. LATE BIDS

Bids received late shall not be considered and would therefore be returned to the bidder if possible. **A bid will be considered late if it is received one second after closing time**. The bid closing time is stipulated in the advert.

14. REASONS FOR REJECTION

14.1 The GPF reserves the right to return late bids as mentioned in section 13 above.
14.2 The GPF reserves the right to determine and reject bids that are not in accordance to specification / Terms of Reference.
14.3 Bidders shall not contact GPF on any matter pertaining to their bids from the closing date to the time the bid has been adjudicated. Any effort by a bidder to influence the bid evaluation or adjudication may result in rejection of the bid concerned.
14.4 The GPF shall reject a submission if the bidder has committed a proven corrupt or fraudulent act in competing for a particular contract.

14.5 The GPF may disregard any submission if that bidder, or any of its directors:

- Have abused the Supply Chain Management (SCM) system of any Government Department;
- Have committed proven fraud or any other improper conduct in relation to such system;
- Have failed to perform on any previous contract and the proof thereof exists; and
- Are restricted from doing business with the public sector or if such supplier failed to perform on a contract based on the specific goals.

15. ENQUIRIES

All enquiries must be directed in writing to

Nokuthula Mqwashi for **Supply Chain Management Enquiries**

E-mail: Nokuthulam@gpf.org.za

Or

Basil Balkison for **Technical Enquiries**

Project Manager

E-mail: basilb@gpf.org.za

The bid number should be mentioned in all correspondence.

Telephonic requests for clarification will not be accepted.

THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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.

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

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

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

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

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (NIP) Programme

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.