

**PART A
INVITATION TO BID****SBD 1**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HEALTH, FREE STATE						
BID NUMBER:	DOH(FS) 10 / 2024 / 2025		CLOSING DATE:	29 th November 2024	CLOSING TIME:	11h00
DESCRIPTION	SUPPLY AND DELIVERY OF COAL FOR VARIOUS HEALTH FACILITIES WITHIN THE FREE STATE DEPARTMENT OF HEALTH PERIOD: DATE OF SIGNING OF CONTRACT FOR FIVE (5) YEARS.					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:						
DEPARTMENT OF HEALTH, FREE STATE						
GROUND FLOOR, BOPHELO HOUSE, BLOCK C-WEST, OPPOSITE MAIN DOOR						
C/O CHARLOTTE MAXEKE STREE AND HARVEY STREET, BLOEMFONTEIN, 9300						
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Me. B.A. Dondolo		CONTACT PERSON	Mr. C.A. Skibbe		
TELEPHONE NUMBER	051 408 1590		TELEPHONE NUMBER	051 408 1676		
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A		
E-MAIL ADDRESS	DondoloB@fshealth.gov.za		E-MAIL ADDRESS	SkibbeCA@fshealth.gov.za		
SUPPLIER INFORMATION						
NAME OF BIDDER						
POSTAL ADDRESS						
STREET ADDRESS						
TELEPHONE NUMBER	CODE		NUMBER			
CELLPHONE NUMBER						
FACSIMILE NUMBER	CODE		NUMBER			
E-MAIL ADDRESS						
VAT REGISTRATION NUMBER						
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA	
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]	



SBD 1

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

SBD 1

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 2022, 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 (C1.1).**

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:



**IN COMPLIANCE WITH THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022
PUBLISHED IN GOVERNMENT GAZETTE NO. 2721 ON (4 November 2022)**

**SUPPLY AND DELIVERY OF COAL IN VARIOUS INSTITUTIONS IN THE FREE STATE
DEPARTMENT OF HEALTH**

ISSUED BY:	PREPARED BY:
Department of Health Bid Office (Bid Initiation Section) Bophelo House Bloemfontein 9300 P.O. Box 227 Bloemfontein 9300 Mrs. B. Dondolo Tel: (051) 408 1590	Infrastructure Facility Management Bophelo House Bloemfontein 9300 P.O. Box 227 Bloemfontein 9300 Mr. C.A. Skibbe Tel: 051 408 1676

NAME OF BIDDER (BIDDING ENTITY)
(FULL NAME, i.e. (CC, (Pty) Ltd, Ltd, JV / CONSORTIUM,
SOLE PROPRIETOR etc.)

TEL NUMBER:

FAX NUMBER



**SUPPLY AND DELIVERY OF COAL IN VARIOUS INSTITUTIONS IN THE FREE
STATE DEPARTMENT OF HEALTH:**

SUMMARY FOR BID OPENING PURPOSES

NAME OF BIDDING ENTITY:

PHYSICAL STREET ADDRESS:	POSTAL ADDRESS:

TELEPHONE NUMBER:

FAX NUMBER:

E - mail ADDRESS:

*BID PRICE:

*(Amount brought forward from the Form of Offer and Acceptance)

Signed by authorized representative of the Bidding Entity:

DATE:

Note: Should any discrepancy occur between the above amounts and those stated in the Form of Offer and Acceptance, the latter shall take precedence and apply.



**SUPPLY AND DELIVERY OF COAL IN VARIOUS INSTITUTIONS IN THE
FREE STATE DEPARTMENT OF HEALTH:**

The bidder must complete and return the following returnable documents:

No	Document	Returnable Document / Schedule	Bidder Tick Box
1	SBD 1	Invitation to bid.	
2	SBD 4	Declaration of Interest form. Bidder's Disclosure (In case of Consortium or Joint Venture, each party should submit a completed and signed SBD 4 form for each partner in the Consortium or Joint venture.	
3	SBD 3.2	Pricing Schedule non-firm prices	
4	SBD 6.1	Preference Points Claim Form in Terms of the Preferential Procurement Regulations; 2022.	
5	DOH(FS) 10: Supplier / Third Party Declaration	Authorization Declaration: Confirmation of supply between the bidder and the third party.	
6	Financial Capability	Bidders must provide the Department with a confirmation letter issued by a South African commercial bank registered in terms of the National Credit Act for an investment/credit facility of at least Five Million Rands (R5 million) or more as part of the bid submission.	
7	Compliant Tax status	CSD printout must be submitted with the bid document to ensure that the correct CSD number is used throughout the bidding process. The Tax compliance of the Consortium or Joint Ventures will be verified separately. All the partners are expected to be tax compliant	
8	CSD Registration	Central Supplier Database (CSD) Registration report. In case of Consortium or Joint Venture, each party must be registered on CSD and each party's CSD report must be submitted with the bid.	
9	Company Documents	Proposal Information: • Company Registration Documents - Company Profile	
10	Methodology and Approach	Detailed project approach that will illustrate the procurement, packaging, storage, and delivery of coal to the various Free State Department of Health institutions.	



11	COIDA	A valid letter of Good Standing - COIDA (Compensation for Occupational Injuries or Diseases)	
12	Product Quality	Bidder to provide a LAB report from SANAS Accredited Laboratory	
13	Bid Documents	Supply Chain Management bid documents	
14	SCoC	Special Conditions of Contract	
15	GCoC	General Conditions of Contract	

Other Documents Required for Bid Evaluation Purposes



health

Department of
Health
FREE STATE PROVINCE

**SUPPLY AND DELIVERY OF COAL IN
VARIOUS INSTITUTIONS IN THE FREE STATE
DEPARTMENT OF HEALTH**

**PERIOD: DATE OF SIGNING OF
CONTRACT FOR FIVE (05) YEARS.**

CONTACT PERSON
MR C.A. SKIBBE - 051 408 1676
SkibbeCA@fshealth.gov.za



TABLE OF CONTENTS

RETURNABLE DOCUMENTS	6 - 7
DEPARTMENTAL CONTACTS	8
TABLE OF CONTENTS	9
SPECIAL CONDITIONS OF CONTRACT	10
SCOPE OF WORK	12
GENERAL CONDITIONS	12 - 18
ESCALATION FORMULA	18
ANNEXURES TABLE	19
ANNEXURES	20 - 39
- ANNEXURE A: COAL SPECIFICATION - ANNEXURE B: COAL TECHNICAL SPECIFICATION - ANNEXURE C: LIST OF INSTITUTIONS - ANNEXURE D: COAL SIZE COST PER TON - ANNEXURE E: ADMINISTRATIVE BIDDING REQUIREMENTS - ANNEXURE F: MANDATORY REQUIREMENTS - ANNEXURE G: EVALUATION CRITERIA (FUNCTIONALITY) - ANNEXURE H: SITE VISIT INSPECTION CRITERIA - ANNEXURE I: PRICE AND SPECIFIC GOALS - ANNEXURE J: SPECIAL BIDDING DOCUMENT 3.2 (SBD 3.2)	



1. SPECIAL CONDITIONS OF CONTRACT

- 1.1 The Standard Conditions of Bidder's is the Government Condition of Contract (GCC), a copy is attached.
- 1.2 Special Conditions of Contract
- 1.3 The bid offer validity period is 120 days
- 1.4 The bid shall be evaluated on functionality, site visit inspection criteria, price and in terms of Preferential Procurement Regulations of 2022.
- 1.5 The successful bidder must be equipped to handle delivery of coal in loads from 25 to 30 tons.
- 1.6 Contracts will be awarded to companies where such companies lease or commission an active coal yard with cement slab for coal storage (proof must be attached with the bid as coal yard photos, physical address and contact person). In case where coal is transported directly to the institutions from the mine (proof must be attached with the bid), it shall be the responsibility of the service provider to ensure that service is rendered according to the specified conditions and requirements; should the service be affected by any means or another, the Department has the right to terminate this contract or oblige the service provider to lease a coal yard with cement slap, failure will result in immediate contract termination.
- 1.7 The successful bidder must fulfil all requirements of merchant's/depot operation and environmental conditions of coal distribution as laid down by the Local Authority.
- 1.8 Should the source of supply (specific mine) change during the contract period, permission to effect this change must be sought from the Department of Health, bidder may only change if written permission is given by HOD.
- 1.9 Please state the number of delivery vehicles with back tipper trailers and their capacity, **failure invalidates bid.**
- 1.10 Proof of allocation for the type of coal offered from a coal mine/supplier for the full period of the BID must be attached. **Failure will invalidate the BID.** Please note that the Department of Health has the right to investigate the type of coal used at any stage during the contract period, and should it be found that the type of coal supplied does not comply with the originally stated and required coal type, the contract will be terminated with immediate effect
- 1.11 The department reserve the rights to determine a flat rate per cluster. The department also reserves the right to subject bidders to price negotiations where it is determined that prices offered are above market related conditions.
- 1.12 The Department of Health reserves the right:
 - To add or remove an institution from the cluster
 - To determine the flat rate.
 - To award only one cluster to a bidder, unless decided otherwise by the Department to appoint one bidder for all two clusters.



health

Department of
Health
FREE STATE PROVINCE

Employer's Agent: Mr. Thabang Tau

Acting Chief Director
Infrastructure Management
Cell : 073 842 4548
E-mail : TauT@fshealth.gov.za

Technical enquiries:

Mr C.A. Skibbe
Project Manager
Infrastructure Management,
Tel : 051 408 1676
E-mail : SkibbeCA@fshealth.gov.za

Supply Chain enquiries :

Me. B Dondolo
Assistant Director: Acquisition
Supply Chain Management
Tel: 051 408 1590
Email: DondoloB@fshealth.gov.za



2. **SCOPE OF WORK**

- To supply the required coal grades in conformity to the specified conditions of contract.

2.1 **COAL TYPES**

PEAS

Shall mean a coal which passes through a 25 mm colliery screen, but remains on a 0.3 mm colliery screen, and which shall contain ex-trucks at point of delivery less than 12.5% of fines which will pass a 4mm screen.

LARGE NUTS

Shall mean a coal which passes through a 71 mm colliery screen, but remains on a 31.5 mm colliery screen, and which shall contain ex-trucks at point of delivery less than 7.5% of fines which will pass a 4mm screen.

SMALLS

Shall mean a coal which passes through a 25 mm colliery screen, which shall contain ex-trucks at point of delivery less than 40% of fines which will pass a 4mm screen.

The Department of Health has the right to use any coal size including those not included in this contract should there be a need or due to unforeseen circumstances; In that case, the bidder is required to submit an attachment of other coal sizes, costs per ton (see Annexure D). **Please note that these details will not be included as part of the evaluation but will be part of the requirement for this bid. failure will result in invalidation of the bid.**

3. **GENERAL CONDITIONS (3-12)**

- 3.1 Additional information may be provided on a separate sheet of paper with a suitable reference to the question number concerned.
- 3.2 The condition contained in the special conditions of the contract and the general condition of the contract is applicable.
- 3.3 Contracts will be allocated per cluster unless decided otherwise by the Department.
 - 3.3.1 The quantities indicated are estimated quantities and no guarantee can be given that quantities and types of coal indicated will be ordered.
 - 3.3.2 The contractor will be held liable for any expense which may be incurred by the government as a result of injury to a person or damages to property arising from the presence of any explosive object of any kind.



4. INJURY OF PERSONS AND DAMAGE TO PROPERTY

- 4.1 The bidder is liable for and hereby indemnifies the Department of Health and representative/against any liability, loss, claim or action, irrespective whether it originates from the common law or legislation, as a result of injury to or the death of any person in any way whatsoever that originates from or that is caused in the execution of the work except when is due to the omission of the representative/agent or any person for whose actions the Department of Health is liable in law.
- 4.2 The bidder is liable for and hereby indemnifies the Department of Health and representative/agent against any liability, claim or action, in respect of the loss of or damage to any movable or immovable property or adjacent property to the terrain irrespective of whether such property belongs to or is under the control of the Department of Health or any other body or person that originates from or that is caused by the execution of the work except when is due to the omission of the representative/agent or any person for whose actions the Department of Health is liable in law. The bidder must, on receipt of a written order from the representative/agent make good loss with proper professional skill and at its own cost and in the case of default by the bidder, the Department of Health may repair such damage and recover such costs from the bidder or subtract such costs from the amounts due to the bidder.

A certified copy of insurance covering public liability not less than R 1 million must be provided within 21 days after the award of the bid. No extension will be granted. The Department of Health reserves the right to cancel the award of the bid if a copy of such insurance is not provided within the above-mentioned period.

5. DELIVERIES IN BULK

- 5.1 Prices are to be indicated per ton in bulk, delivered by road. **WEIGHBRIDGE AND ADMINISTRATION COST MUST BE INCLUDED IN THE BID PRICE.**
- 5.2 The following must accompany the delivery note:
Every consignment delivered in bulk shall be accompanied by a current test certificate (not later than 7 days) of the mine supplying coal to the contractor.
- 5.2.1 Grade A washed coal (As per Annexure A and B) must be indicated as follows:
- a. Calorific value: minimum 27.5 MJ/kg to 28.5MJ/kg
 - b. Volatile matter content 22% to 24.63%
 - c. Ash content: 12% to Max 15%
 - d. Sulphur content: Max 1%
 - e. Ash Fusion Temperature 1400 Degrees
- 5.2.2 Should there be any doubt about the quality of the coal each institution reserves the right to accept or reject the load of coal before unloaded. This decision will be binding and unconditionally accepted by the contractor.
- 5.2.3 A sample from a load of coal will be tested in the presence of the contractor and the duly authorized representative of the institution (size according to the specifications).



- 5.2.4 The coal must be delivered in the bunker of the institution. Any spillage must be cleaned before leaving the premises (Exceptional cases due to construction must be indicated with an acceptable alternative).
- 5.2.5 As coal shall be delivered inside the bunker/container/room etc. at each institution, the bidder shall acquaint themselves with conditions and accessibility to delivery points on site. (If necessary, provide alternatives)
- 5.2.6 A description of the type of delivery vehicle(s) shall be clearly stated in the bid. **Failure will disqualify the bid.**
- 5.2.7 Bidders on a free on rail - colliery basis will not be considered.
- 5.2.8 Air pollution, due to release when off-loading, must be restricted to an absolute minimum.

6. DELIVERY APPLICABLE DOCUMENT

6.1 A weighbridge certificate containing the following must be submitted with each consignment delivered in bulk by road:

- a) The name and address of the weighbridge owner/operator
- b) The date and time
- c) The tare of the vehicle
- d) The gross mass as well as the Net-mass of the coal on the vehicle
- e) The bidder must also comply with the conditions as stipulated in par.5.2. Failure will result in non-payment of the delivered coal.

6.2 Coal Delivery

6.2.1 Delivery schedule to be submitted by the End User on a Quarterly meeting.

6.2.2 All deliveries are to consist of the following:

- a) Weighbridge certificate
- b) Certificate of conformity (meeting the requirement of this specification)
- c) A triplicate proof of delivery document which shall have the following information completed with regards to the person making the delivery and the persons who are receiving the material:
 - Date
 - Names in block letters
 - Employee numbers
 - Contact numbers
 - Signature
- d) The original signed copy is to be given to the End User.
- e) Carbon copy is to be attached to the invoice given to the provincial contract management personnel.
- f) The resident copy is for the supplier's reference.
- g) A sample copy of the proof of delivery document is to be submitted with the bid document.



- 6.2.3 If deliveries are not according to the contract and the specifications, the contractor will remove the items immediately at his/her own cost and substitute the items. On failure to provide the substitute supplies that comply to the specification the Department may without giving the contractor further notice be entitled to purchase supplies in substitution of the coal not supplied in conformity with the contract. The contractor shall bear any adverse difference in price of the said supplies and these amounts plus any other damages which may be suffered by the Department shall be paid by the contractor to the Department.
- 6.2.4 No deliveries should be affected until written official orders or a commitment letter signed by the Chief Financial Officer of the Department (in an event of the LOGIS downtime) from the relevant institutions have been received.
7. All deliveries shall be done on Mondays to Fridays during normal working hours (7:30 to 16:00) or as arranged by the institution and the contractor.
8. Bidders to indicate if deliveries will be made by own transport or leased transport. If not owned transport, provide proof and details of the leased transport or hired transport. Failure to submit this information with the bid document will invalidate the bid.

Bidders to indicate the following:

- Owned or leased
- Articulated vehicle capacity in ton
- Semi-trailer capacity in ton
- Furnish registration documents

9. COAL TRANSPORTATION TO INSTITUTIONS

- 9.1 Delivery time and schedule to be conducted as stated in par. 7
- 9.2 Coal must be delivered from a mine that is registered with the Department of Minerals and Energy as a Coal Mine or from a coal yard facility with valid water use license issued by the relevant department.
- 9.3 Furnish Weighbridge certificate indicating the date, tare of the vehicle, the gross mass and should accompany every consignment delivery by road to the institution(s).
- 9.4 Vehicles used to be compliant with road safety and coal transport requirements.
- 9.5 Vehicles must at all times be identifies as that of the contractor.
- 9.6 Only the type of tipper specified in this specification is to be used at each institution. In the event of another type of tipper being used, the cleanup costs shall be for the account of the supplier, who shall also be responsible for supervising the cleanup operation.
- 9.7 Are you using your own coal yard facility or are you using the coal yard facility of a third party? If yes, submit the requested documents as stated in the specifications.



10. COAL QUANTITIES AND PAYMENT

- 10.1 The contractor shall adhere to quantities (weight) as ordered. No payment shall be made for consignment less than, or exceeding the quantities as ordered. Payment will only be affected for the ordered weight.
- 10.2 The operator as well as the representative of the Technical Department of the institution will check the quality of the consignment. All deliveries shall however be received and certified by both the Supply Chain Management practitioner and technical head or his duly appointed person.
- 10.3 Payments will be affected within 30 days after receipt of all the required documentation which should be correct in every respect.

11. APPLICABLE STANDARDS

11.1 CKS 561 edition 1.1

11.2 The latest CKS specification 561 referred to in the bid document is obtainable from:

South African Bureau of Standards
Private Bag X 132
Bloemfontein
9300

Other reference/s:

SANS 11760: 2007

11.3 Safety and Regulations:

Care must be taken during all stages of transporting the coal to the End User. The offloading of coal shall in no way create a safety hazard to all.

The following regulations shall be applicable and adhered to during the entire contract period:

- Occupational Health and Safety Act No. 85 of 1993
- Air pollution regulations

12. TESTS AND ACCEPTANCE

- 12.1 The Provincial Contract Manager and the relevant End Users reserve the right to perform random testing, at any stage of the delivery cycle on batches of coal delivered. These tests shall be conducted in accordance with the requirements of CKS 561 Ed 1.1, section 4.
- 12.2 The supplier shall be requested to be present when the random samples are drawn and routed to the respective test laboratory (chosen by the Provincial Contract Manager). In the event of the samples failing the tests the cost of testing shall be the responsibility of the supplier, irrespective if the supplier was present at the sample selection process or not.



- 12.3 In the event of a load already in the bunker failing a test, the cost of the entire contents (all contaminated material) plus the removal and replacement of coal in the bunker shall be for the suppliers account.
- 12.4 In the event of the samples failing the tests, the supplier has the right to select a sample, if practical, from the same lot and route it for testing at his own cost. A Provincial Contract Manager and Institutional Contract Manager/s shall be present when the sample is being drawn.
- 12.5 Unannounced checks shall be performed on loads to verify the weight and content of any given load.
- 12.6 The Provincial Contract Manager or Institutional Contract Manager reserves the right to reject any load prior to the load being deposited into the bunker or failing a weight or provincial regulatory test.
- 12.7 The overall responsibility of any given load is for the account of the supplier, without exception.
- 12.8 The South African Bureau of Standards will on request of the Department do spot checks, in case of disputes: if the consignment complies to the specification, then the cost of the test results will be payable by the Department and if not, the cost will be paid by the contractor.

13. QUALITY ASSURANCE

- 13.1 The contract shall be managed by Infrastructure Management representative, Supply Chain Management and End Users. There shall be a quarterly meeting with all stakeholders including the service provider.

14. SUBCONTRACTORS

- 14.1 The use of subcontractors is not allowed. In the event of an emergency a request for the use of subcontractors must be submitted to the Provincial Contract Managers for approval prior to use.



15. ROLES OF STAKEHOLDERS

The Provincial Contract Managers –

Contact Person: Infrastructure Management

Mr. C.A. Skibbe

Tel: Currently Unavailable

E-mail: SkibbeCA@fshealth.gov.za

Contact Person: Supply Chain Management

Me. M.S Seerie

Tel: 051 408 1229

Email: SeerieMS@fshealt.gov.za

Roles:

- a) Coordinate the quarterly meetings
- b) Prepare and conduct performance, quality audits and reporting, etc.

End User at Facility

Roles:

- a) Ensure that the coal supplied complies with specifications, quantities and quality specified.
- b) Keep records of all transactions and documents, produce and present report in the quarterly meeting, etc.

Service Provider/s

Roles: Supply and deliver the coal as directed in the content of this document.

ESCALATION FORMULA

Price adjustment will only be considered on application by the bidder at the anniversary period of the contract. The applicable CPI at the time of anniversary will be considered except where the application was submitted outside the 90 days period, in such cases the CPI applicable on receipts of the application will be used.

Bidders are required to complete the SBD 3.2 – Price Adjustments section.



ANNEXURES

ANNEXURE A: COAL SPECIFICATION

ANNEXURE B: COAL TECHNICAL SPECIFICATION

ANNEXURE C: LIST OF INSTITUTIONS

ANNEXURE D: COAL SIZE COST PER TON

ANNEXURE E: ADMINISTRATIVE BIDDING REQUIREMENTS

ANNEXURE F: MANDATORY REQUIREMENTS

ANNEXURE G: EVALUATION CRITERIA (FUNCTIONALITY)

ANNEXURE H: SITE VISIT INSPECTION CRITERIA

ANNEXURE I: PRICE AND SPECIFIC GOALS

ANNEXURE J: SPECIAL BIDDING DOCUMENT 3.2 (SBD 3.2)



ANNEXURE A: COAL SPECIFICATION

ROUNDS

Shall mean a coal which remains on a 31.5 mm colliery screen, and which shall contain ex-trucks at point of delivery less than 7.5% of fines which will pass a 4mm screen.

LUMPS

Shall mean a coal which remains on a 100 mm colliery screen, and which shall contain ex-trucks at point of delivery less than 7.5% of fines which will pass a 4mm screen.

LARGE COBBLES

Shall mean a coal which passes through a 150 mm colliery screen, but remains on a 31.5 mm colliery screen, and which shall contain ex-truck at point of delivery less than 7.5% of fines which will pass a 4mm screen.

COBBLES

Shall mean a coal which passes through a 100 mm colliery screen, but remains on a 31.5 mm colliery screen, and which shall contain ex-truck at point of delivery less than 7.5% of fines which will pass a 4mm screen

LARGE NUTS

Shall mean a coal which passes through a 71 mm colliery screen, but remains on a 31.5 mm colliery screen, and which shall contain ex-truck at point of delivery less than 7.5% of fines which will pass a 4mm screen.

NUTS

Shall mean a coal which passes through a 40 mm colliery screen, but remains on a 22.4 mm colliery screen, and which shall contain ex-truck at point of delivery less than 10% of fines which will pass a 4mm screen.

PEAS

Shall mean a coal which passes through a 25 mm colliery screen, but remains on a 0.3 mm colliery screen, and which shall contain ex-truck at point of delivery less than 12.5% of fines which will pass a 4mm screen.

SMALLS

Shall mean a coal which passes through a 25 mm colliery screen, which shall contain ex-truck at point of delivery less than 40% of fines which will pass a 4mm screen.

DUFF

Shall mean a coal which passes through a 6.3 mm colliery screen.



ANNEXURE B: COAL TECHNICAL SPECIFICATION

Chemical properties comparison of:

Chemical Properties		
Parameter	Units	A grade
Calorific value	MJ/Kg	27.5 MJ/kg to 28.5MJ/kg
Total Moisture	Maximum % (AR)	2.5% to 3%
Ash	Maximum % (AR)	12.83 to 15.0%
Volatile matter	Minimum % (AR)	22 to 24.63%
Sulphur	Maximum % (AR)	0.62 to 1.0%

Successful bidders are required to adhere to the coal standard throughout the term of contract.

**ANNEXURE C: LIST OF INSTITUTIONS**

CLUSTER A: XHARIEP & MANGAUNG DISTRICTS	CLUSTER B: THABO MOFUTSANYANA, LEJWELEPUTSWA & FEZILE DABI DISTRICTS
DR. JS Moroka Hospital	Dihlabeng Regional Hospital
Free State Psychiatric Complex	Boitumelo Regional Hospital
Universitas Central hospital	Bongani Regional Hospital
National District Hospital	Mofumahadi Manapo Regional Hospital (to be used later)
Bloemfontein Regional Laundry	Nketoane District Hospital
Pelonomi Tertiary Hospital	Winburg District Hospital
Botshabelo District Hospital	Katleho District Hospital
Diamond District Hospital	Phekolong District Hospital
Albert Nzula District Hospital	Kroonstad Regional Laundry
Embekweni District Hospital	Qwaqwa Regional Laundry (Elizabeth Ross District Hospital)
Stoffel Coetzee District Hospital	Parys District Hospital

The Department of Health has the right to add or remove institutions from the existing list.

NB: Should the bidder score the highest points for both cluster A & B such bidder will be allocated only one cluster, unless decided otherwise by the Department.

Please indicate the cluster of your choice which will be considered by the Department should you score the highest points for both clusters.

CLUSTER A	
CLUSTER B	

**ANNEXURE D: COAL SIZE PER TON**

Cost of coal size per ton, refer to Coal types under scope of work, 2. 1.

Please note that these details will not be included or used as part of price for evaluation.

Cluster A

PEAS	Cost per Ton _____
NUTS	Cost per Ton _____
LARGE COBBLES	Cost per Ton _____
COBBLES	Cost per Ton _____
LARGE NUTS	Cost per Ton _____
SMALLS	Cost per Ton _____
Total Cost	_____.

Cluster B

PEAS	Cost per Ton _____
NUTS	Cost per Ton _____
LARGE COBBLES	Cost per Ton _____
COBBLES	Cost per Ton _____
LARGE NUTS	Cost per Ton _____
SMALLS	Cost per Ton _____
Total Cost	_____.



ANNEXURE E - ADMINISTRATIVE BIDDING REQUIREMENTS

FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE (Comply / Not Comply / Not Applicable)
1.	Submission of the following standard bidding documents (fully completed and signed):	
(i)	SBD 1: Invitation to Bid,	
(ii)	SBD 3.2: Pricing Schedule (Non - Firm Prices),	
(iii)	SBD 4: Bidders' disclosure,	
(iv)	SBD 6.1: Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2022,	
(v)	Compulsory Explanatory Meeting Certificate	
(vi)	Naming of the bidding company must be consistent in the request for bid (RFB) document, applicable evidence submitted by the supplier to substantiate the points allocated per specific goal, the CSD report, DOH(FS) 10 and all other supporting documents.	
(vii)	Alterations / corrections must be signed. <u>No tippexed / eraser allowed: failure to comply will invalidate the bid.</u>	



FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE <i>(Comply / Not Comply / Not Applicable)</i>
2.	In case of Consortium or Joint Venture (If applicable) the following are required:	
(i)	Signed agreement between involved parties indicating the lead member;	
(ii)	Every member of the Consortium or Joint Venture joint venture is registered on the Central Supplier Database;	
(iii)	Letter of appointment by consortium/joint venture parties for a representative to sign the bid documents;	
(iv)	All parties to the consortium / joint venture must submit their individual documents referred to above.	
3.	Proof of Central Supplier Database Registration AND / OR Attachment of Central Supplier Database Registration Report (CSD) of the bidder.	
4.	Proof of registration of the Mine with Department of Minerals and Energy.	
5.	Proof of certificate of laboratory test results for the required coal from the producer	
6.	In case where a bidding company relies on the assistance from another company (sourcing the services from another company / manufacturer / service provider), a letter of commitment from the company / manufacturer / service provider confirming their support in the event where the bidder is awarded the bid.	
7.	Proof of availability of appropriate vehicles and back tipper trailer to enable the delivery of coal (minimum of 25 tons to 30 tons back - tip trailer covered in terms of health and safety standards). Attach valid certified copies of vehicle and trailer registration certificates. If vehicles do not belong to the bidder or any of its directors / partners / members / trustees, a letter of intent to enter into a vehicle leasing contract <u>should</u> be attached with the registration certificates. The attached letter of intent and or lease agreement must be for a minimum period of five years.	
8.	Delivery period must be within five (05) days after the receipt of an Official purchase order. Should the bidder foresee that he / she will not be able to deliver within the required period. The bidder must make the necessary arrangement with the institution.	
9.	Returnable documents must be chronologically indexed with a contents list.	



ANNEXURE F: MANDATORY REQUIREMENTS

PHASE 1B

The following mandatory requirements shall apply to this bid, all SBD Forms included in the document are to be filled in ink and signed by a duly authorised person.

DOCUMENT	DESCRIPTION
SBD 1	Standard Bidding Document; Invitation to bid.
SBD 3.2	Pricing Schedule non-firm prices
SBD 4	Declaration of Interest form. Bidder's Disclosure (In case of Consortium or Joint Venture, each party should submit a completed and signed SBD 4 form for each partner in the Consortium or Joint venture).
SBD 6.1	Preference Points Claim Form in Terms of the Preferential Procurement Regulations; 2022. (Non-submission of the SBD6.1 form will not lead to the disqualification of the bidder but rather the bidder will be denied the preferential points claimed).
DOH(FS) 10: Supplier / Third Party Declaration	Authorization Declaration: Confirmation of supply between the bidder and the third party.
Financial Capability	Bidders must provide the Department with a confirmation letter issued by a South African commercial bank registered in terms of the National Credit Act for an investment/credit facility of at least Five Million Rands (R5 million) or more as part of the bid submission.
Confirmation of Coal Peas	Certificate of analysis from SANAS accredited lab, not older than 1 (One) month at the time of tender closing. Calorific value must be at least: 27.5% to 28.5 for A grade Peas Coal. Full scope of supply and detailed technical specifications outlined in Annexure A & B of the bid document.
Legal registration of mine or wash plant	Valid Operating license or permit issued by the Department of Mineral Resources and Energy, (in case of mine) matching the details contained in the DOH(FS) 10. Or Water usage license and environmental permit (in case of wash plant and coal yard.

- Failure to comply with any of the mandatory requirements (except for SBD6.1 where only points will be denied) will result in a bidder's disqualification.
- Free State Department of Health reserves the right to verify all permits and licenses with the Department of Mineral and Petroleum Resources and all received documents.



ANNEXURE G: EVALUATION CRITERIA (FUNCTIONALITY)

PHASE 2: EVALUATION ON FUNCTIONALITY

All the bidders who meet the specifications and the mandatory requirements of bid will be further evaluated on functionality. The following functionality requirements shall apply to this bid:

TOTAL SCORE			100	
ACCEPTABLE MINIMUM SCORE			70	
NO	CRITERIA	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
1.	Company Experience: Bidder must submit a reference letter on a client letterhead, with contact numbers and email or Purchase Order with corresponding Delivery notes in the supply, delivery and off-loading of coal of coal, together with performance standard letter.	60	Company experience and track record in supplying coal indicating current and previous contracts Number of Years:	
			(6 years and above)	60
			(4 – 5 years)	20
			(2-3 years)	10
			(1 year)	5
		(0 year)	0	
			Verifiable reference letters should be on a company letter head of the customer serviced, signed and contain details of a contactable person. Points will not be allocated should any of these requirements not be met, er letter.	
3.	Approach and Methodology: Bidder to provide a step-by-step account of how they intend on to supply, deliver and off-load coal to the DOH(FS) institutions.	40	Methodology and Approach: Detailed project approach that will illustrate the procurement, packaging, storage, and delivery of coal peas to the DOH(FS) Institutions. Areas to cover include: Coal sourcing assurance Quality Assurance Quantity Assurance Documentation (Delivery note, weigh bridge certificates, etc.) Transportation Project Management Health and Safety Plan Contingency & Risk Plans	40
			General plan which describes the approach that the bidder will use to implement this project and covers majority of the requirements.	10
			The plan is unclear/unstructured or not in sync with the scope of work. Plan irrelevant to supply of coal	0



ANNEXURE H

PHASE 3: SITE VISIT INSPECTION CRITERIA

Site visits will be conducted for bidders that meet the minimum threshold of 70 points at functionality.

The site inspection shall only be conducted at the address indicated by the bidder as follows:

BUSINESS ADDRESS WHERE SITE INSPECTION WILL BE CONDUCTED INCLUDING MAP
LOCATION OR GPS COORDINATES

GPS CO-Ordinates: _____



This stage entails site inspection. Site inspection will be conducted for all the bidders who qualified and passed the functionality stage. Site inspection will be conducted using the following inspection criteria / sheet:

TOTAL SCORE				100
ACCEPTABLE MINIMUM SCORE				70
NO	ELEMENT DESCRIPTION	WEIGHT	ELEMENT BREAKDOWN	VALUES
4.1	Physical of Coal Producing/Processing activities in relation to this bid	40	Coal Process and Loading activities relating to the bid taking place at a mine / producer of coal as registered with the Department of Mineral Resources valid mine permit and valid water use license as issued by the Department of Water and Sanitation.	40
			Loading of Coal activities relating to the bid taking place supplier of coal with a valid water use license as issued by the Department of Water and Sanitation.	20
			No coal processing activities at the premises or having arrangements with the registered producer / mine / supplier	0
4.2	Availability of suitable vehicles with back tipper trailer with a with a minimum load capacity of 30 Ton	20	Availability of suitable roadworthy, licensed four (4) vehicles with back tipper trailer and safety file and / or lease agreement	20
			Availability of suitable roadworthy, licensed three (3) vehicles with back tipper / drop side trailers and safety file and / or lease agreement	15
			Availability of suitable roadworthy, licensed two (2) vehicles with back tipper trailer and safety file and/or lease agreement	10



4.3	Availability of Coal Grade A, Peas, washed, shiny (dust free) and test certificate following specification (Annexure A and B).	40	Availability of specified coal and test certificate (sample of inspected coal must provide by the bidder/third party at the time of inspection) in the yard or as part of daily activities. Test certificate must not be older than 5 (five) days from the date of inspection.	40
			Unavailability of specified coal and test certificate.	0
TOTAL POINTS				100

Bidders who fail to obtain a minimum score of 70 points shall be disqualified.



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

Name Of the bidder: _____	Bid Number: DOH(FS) 10 / 2024 / 2025
Closing Time: 11H00	Date: 29 TH November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY <i>** (ALL APPLICABLE TAXES INCLUDED)</i>
1	As and when required	PEAS	R _____ / Ton (Cluster A). R _____ / Ton (Cluster B).

Required by:

Free State Department of Health

At:

Various Institutions

Brand and model:

Country of origin:

Does the offer comply with specifications?

* YES / NO

If not to specifications, indicate deviation(s)

The period required for delivery

Delivery

* FIRM / NOT FIRM

Delivery basis

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

*** Delete if not applicable.**



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

Name Of the bidder: _____ Bid Number: **DOH(FS) 10 / 2024 / 2025**
Closing Time: 11H00 Date: 29th November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
			R _____ / Ton (Cluster A).
2	As and when required	NUTS	R _____ / Ton (Cluster B).

Required by: Free State Department of Health

At: Various Institutions

Brand and model: _____

Country of origin: _____

Does the offer comply with specifications? * YES / NO

If not to specifications, indicate deviation(s) _____

The Period required for delivery _____

Delivery * FIRM / NOT FIRM

Delivery basis _____

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

*** Delete if not applicable.**



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

Name Of the bidder: _____	Bid Number: DOH(FS) 10 / 2024 / 2025
Closing Time: 11H00	Date: 29 th November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY <i>** (ALL APPLICABLE TAXES INCLUDED)</i>
3	As and when required	LARGE COBBLES	R _____ / Ton (Cluster A). R _____ / Ton (Cluster B).

Required by:

Free State Department of Health

At:

Various Institutions

Brand and model:

Country of origin:

Does the offer comply with specifications?

* YES / NO

If not to specifications, indicate deviation(s)

The Period required for delivery

Delivery

* FIRM / NOT FIRM

Delivery basis

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

*** Delete if not applicable.**



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

**NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED
IN THE BIDDING DOCUMENTS.**

Name Of the bidder: _____	Bid Number: DOH(FS) 10 / 2024 / 2025
Closing Time: 11H00	Date: 29 th November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
			** (ALL APPLICABLE TAXES INCLUDED)
4	As and when required	COBBLES	R _____ / Ton (Cluster A).
			R _____ / Ton (Cluster B).

Required by: Free State Department of Health

At: Various Institutions

Brand and model: _____

Country of origin: _____

Does the offer comply with specifications? * YES / NO

If not to specifications, indicate deviation(s) _____

The Period required for delivery _____

Delivery * FIRM / NOT FIRM

Delivery basis _____

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

*** Delete if not applicable.**



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED
IN THE BIDDING DOCUMENTS.

Name Of the bidder: _____	Bid Number: DOH(FS) 10 / 2024 / 2025
Closing Time: 11H00	Date: 29 th November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY <i>** (ALL APPLICABLE TAXES INCLUDED)</i>
5	As and when required	LARGE NUTS	R _____ / Ton (Cluster A). R _____ / Ton (Cluster B).

Required by:

Free State Department of Health

At:

Various Institutions

Brand and model:

Country of origin:

Does the offer comply with specifications?

* YES / NO

If not to specifications, indicate deviation(s)

The Period required for delivery

Delivery

* FIRM / NOT FIRM

Delivery basis

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

* Delete if not applicable.



ANNEXURE J

SBD 3.2

PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)

**NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED
IN THE BIDDING DOCUMENTS.**

Name Of the bidder: _____ Bid Number: **DOH(FS) 10 / 2024 / 2025**
Closing Time: 11H00 Date: 29th November 2024

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

ITEM NUMBER	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY <i>**(ALL APPLICABLE TAXES INCLUDED)</i>
6	As and when required	SMALLS	R _____ / Ton (Cluster A). R _____ / Ton (Cluster B).

Required by: Various Institutions
At: Free State Department of Health
Brand and model: _____
Country of origin: _____
Does the offer comply with specifications? * YES / NO
If not to specifications, indicate deviation(s) _____
The Period required for delivery _____
Delivery * FIRM / NOT FIRM
Delivery basis _____

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

*** Delete if not applicable.**



PRICE ADJUSTMENTS

NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON-FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON-FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

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

Where:

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

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

Index: CPI Dated – October 2024

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

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

**B. PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

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

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

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

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



**SUPPLY AND DELIVERY OF COAL FOR VARIOUS HEALTH FACILITIES
WITHIN THE FREE STATE DEPARTMENT OF HEALTH.**

DOH(FS) 10 / 2024 / 2025

Details for the compulsory briefing meeting:

BRIEFING DATE: 12TH NOVEMBER 2024

TIME: 10H00

**VENUE: First Floor,
Auditorium,
Bophelo House,
Department of Health,
Bloemfontein,
9300**

CLOSING DATE: 29TH NOVEMBER 2024

CLOSING TIME: 11H00

The completed quotation form must be placed in a **sealed envelope, addressed to Bophelo House** and deposited in the **Bid box**. Please state the bid number and the closing date on the outside of the envelope. No late quotations will be accepted after the closing date and time.

Enquiries -

Tel No: Mrs. Boitumelo Dondolo - 051 408 1590 (Supply Chain Management)

Mr. Callie Skibbe – 051 408 1676 (Infrastructure Management)

PLEASE NOTE THAT THE MEETING WILL START PROMPTLY AS SCHEDULED. LATE COMERS WILL NOT BE ALLOWED. STRICTLY NO ONE IS PERMITTED TO GO IN OR COME OUT, 10 MINUTES FROM START OF SESSION. ALL PROSPECTIVE BIDDERS (INSIDE THE BRIEFING SESSION VENUE) MUST WAIT FOR THE MEETING TO ADJOURN. ALL ATTENDANCE CERTIFICATES WILL ONLY BE SIGNED AT END OF SESSION.

NB: NO ATTENDANCE CERTIFICATES WILL BE SIGNED OUTSIDE OF THE MEETING.

**EXPLANATORY MEETING CERTIFICATE**

BID NUMBER: DOH(FS) 10 / 2024 / 2025

Attendance list number: _____

**SUPPLY AND DELIVERY OF COAL TO VARIOUS HEALTH FACILITIES WITHIN THE FREE STATE
DEPARTMENT OF HEALTH.****PERIOD: DATE OF SIGNING OF CONTRACT FOR FIVE (5) YEARS.****ATTENDANCE OF THE CLARIFICATION MEETING IS - COMPULSORY**

An official of the Department must sign this certificate at the explanatory meeting. No certificate will be signed outside the meeting. The original certificate must be included in the bid document and will not be accepted after the closing time and date of the bid.

COMPULSORY CLARIFICATION MEETING:**DATE: 12TH NOVEMBER 2024****TIME: 10H00****VENUE: AUDITORIUM,
FIRST FLOOR,
BOPHELO HOUSE,
DEPARTMENT OF HEALTH,
BLOEMFONTEIN,
9300****CONTACT PERSON/S: Mrs. B. DONDOLO / Mr. C.A. SKIBBE
051 408 1590 / 051 408 1676**

This is to certify that _____ in his / her capacity as
_____ of the company _____ has attended the
compulsory explanatory meeting on the _____ day of _____ 2024 and is
therefore, familiar with circumstances and the scope of the items to be supplied.

**SIGNATURE / DEPARTMENTAL
OFFICIAL**_____
RANK_____
SIGNATURE OF REPRESENTATIVE_____
DATEOFFICIAL DATE
STAMP*** Note: Only one certificate per company**

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 **DECLARATION**

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

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

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

- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder



ANNEXURE I: PRICE AND SPECIFIC GOALS

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the organ of state)	Evidence to be submitted by the supplier to substantiate the points allocated per specific goal (NB: Any of the evidence submitted per specific goal should be regarded as sufficient)
Women	3	• 100% Woman Ownership = 3 points • 51%-99% Woman Ownership = 2 point • 1%-50% Woman Ownership = 1 point	• RSA identity document or • Valid RSA driver's license issued by the relevant authority. NB: Together with company registration documentation which contains the % of ownership or the shareholding certificate indicating number of shares / % of shares owned by individual director/s must be submitted for verification of ownership.
Youth	3	• 100% Youth Ownership = 3 points • 51%-99% Youth Ownership = 2 point • 1%-50% Youth Ownership = 1 point	• RSA identity document or • Valid RSA driver's license issued by the relevant authority. NB: Together with company registration documentation which contains the % of ownership or the shareholding certificate indicating number of shares / % of shares owned by individual director/s must be submitted for verification of ownership.
Free State based Company	4	• Free State Based = 4 points • Non - Free State Based = 0 point	• Municipal Account. <i>(If the municipal account is not in the name of the company but rather in that of the director(s), a sworn affidavit confirming that the company is operating in the premises of one of the directors must be attached)</i> • Lease Agreement. • Title Deeds. • Permission to occupy land, signed by the traditional authority. • Letter of confirmation of the address signed by the ward councilor.
TOTAL	10		

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE
PREFERENTIAL PROCUREMENT REGULATIONS 2022
(FOR ALL SPECIFIC GOALS)**

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- ~~b) The applicable preference point system for this tender is the 80/20 preference point system.~~
- ~~c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.~~

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$

Where:

- Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$	or	$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$

Where:

Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.
(- Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)	Evidence to be submitted by the supplier to substantiate the points claimed / allocated per specific goal
Woman	100% Woman ownership = 3 points 51% - 99% Woman ownership = 2 points 1 - 50% Woman ownership = 1 point		- RSA identity document or - Valid RSA driver's license issued by the relevant authority. NB: Together with company registration documentation which contains the % of ownership or the shareholding certificate indicating number of shares / % of shares owned by individual director/s must be submitted for verification of ownership.
Youth	100% Youth ownership = 3 points 51% - 99% Youth ownership = 2 points 1 - 50% Youth ownership = 1 point		- RSA identity document or - Valid RSA driver's license issued by the relevant authority. NB: Together with company registration documentation which contains the % of ownership or the shareholding certificate indicating number of shares / % of shares owned by individual director/s must be submitted for verification of ownership.
Free State based company	- Free State based company = 4 points - Not Free State based company = 0 points		- Municipal Account. (If the municipal account is not in the name of the company but rather in that of the director(s), a sworn affidavit confirming that the company is operating in the premises of one of the directors must be attached) - Lease Agreement. - Title Deeds. - Permission to Occupy land, signed by the traditional authority. - Letter of confirmation of the address signed by the ward councilor.
TOTAL	10		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

SPECIAL CONDITIONS OF CONTRACT
DEPARTMENT OF HEALTH

<u>CONTENTS:</u>	<u>Page</u>
1. Evaluation Criteria	2
2. Application and Implementation of Specific Goals	2
3. Prices for Once-off bids	4
4. Prices for Period Contract	4
5. Qualification of bid documents	5
6. Applicable Declarations	5
7. Corrections to documents	5
8. Tax Clearance Certificates	5
9. Compulsory Explanatory Meeting and/or Site Visit	6
10. Payment to suppliers	6
11. Legislation / Laws	6
12. Validity period of bids	6
13. Quantities	6
14. Samples	6
15. Bid prices	7
16. Price lists	7
17. Specification – company's response	7
18. Adjudication of bid	7
19. Restriction of employees conducting business with the state	8
20. Compliance to contract	8
21. Contract signing	8
22. Financial schedules	8
23. Declaration of Interest	8
24. Descriptive literature/brochures/pamphlets	8
25. Performance Security / Surety	8
26. Accredited representative	8
27. Equipment exceeding specifications	8
28. Delivery and documents	9
29. Insurance	9
30. Incidental services	9
31. Spare parts	9
32. Warranty	9
33. Penalties	9
34. Settlement of disputes	9
35. Termination of contract: unfulfilled orders	9
36. Cession	9
37. Acceptance of the Special Conditions of Contract and/or General Conditions of Contract	9
38. The company must complete the following	9

THE FOLLOWING SPECIAL CONDITIONS OF CONTRACT WILL APPLY TO THIS BID:**1) EVALUATION CRITERIA**

The following preference point system is applicable to the bid/quotation 90/10.

The preference points for this bid/quotation are allocated as follows and will be applied when adjudicating the bid / quotation:

Price	=	90 points
Specific goals	=	10
Total points	=	100 points

2) THE APPLICATION AND IMPLEMENTATION OF THE PRERERENTIAL PROCUREMENT SPECIFIC GOALS

2.1 The institutions must apply the 90/10 Preferential Point System to all the quotation. The following Specific goals are applicable to all the requests for quotations within the Department.

GENERAL			
Specific goal	Applicable weight	The weight/s to be broken-down as follows	Evidence to be submitted by the supplier to substantiate the points claimed/allocated per specific goal (NB: Any of the evidence indicated below per specific goal should be regarded as sufficient)
Woman	3	100% Woman ownership = 3 points 50%-99% Woman ownership = 2 points 1%-50% Woman ownership = 1 point	- RSA identity document OR - Valid RSA driver's license issued by the relevant authority. NB: together with the company registration documentations which contains the % of ownership or shareholding certificate with the percentage of shares owned by the individual Director/s.
Youth	3	100% Youth ownership = 3 points 51%-99% Youth ownership= 2 points 1%-59% Youth ownership =1 point	- RSA identity document or - Valid RSA driver's license issued by the relevant authority. NB: together with the company registration documentations which contains the % of ownership or shareholding certificate with the percentage of shares owned by the individual Director/s.
Free State based Company	4	- Free State based company = 4 points - Not FS based company = 0 points	- Municipal Account, not older than (3) months (If the Municipal account is not in the name of the company but rather in that of the Director, a Sworn Affidavit confirming that the company is operating in the premises of one of the Directors must be attached) OR - Lease agreement OR - Title deeds OR - Permission to occupy land signed by the traditional authority OR - A letter of confirmation of the address signed by the ward councilor

3) Once-off bid prices

3.1 Firm prices:

Prices for once-off bids must be firm. No application for price adjustment will be considered except in the case where rate of exchange is applicable. All the necessary documentary proof must be submitted.

Where the exchange rate is applicable the bidder is expected to complete the SBD 3.2 in full at the time of bidding.

4) Period Contract Prices

4.1 1st year of the contract period:

Prices must be firm for the 1st (first) year of the contract period. No price adjustments will be allowed during the 1st year of the contract period except in the case where rate of exchange is applicable. The request for price adjustment due to rate of exchange will be considered per consignment. All the necessary documentary proof must be submitted.

4.2 2nd year and rest of the contract period – Prices subject to escalation

4.2.1 A request for price adjustment due to statutory increases on period contracts will be considered **after** the 1st year of the contract period if the bid/quotation is qualified as such and with the necessary documentary proof.

4.2.2 **In order to be considered for price increases from the 2nd year** of the contract period (statutory increase) and where the rate of exchange is applicable (on request per consignment), the price escalation form SBD 3.2 must be completed in full.

4.2.3 Submitting of price adjustment claims:

Claims for statutory increases must be submitted within 90 days of the change in price. If a claim is received after 90 days, the adjusted price will only be considered from the date the claim was received by the Department.

Delivery of goods and/or services must not be withheld as a result of the price adjustment not being finalized or as a result of any dispute.

Companies must indicate in the bid document the amount to be remitted abroad as well as the rate of exchange applied in the conversion of that amount into SA currency, when calculating the bid price. Proof from the bank for rate of exchange applicable to the bid at time of bidding **must** be attached to the bid document.

Price adjustments based on Rate of Exchange will only be applied per consignment delivered to the applicable institution of the Department due to the continuous fluctuation.

4.2.4 Documentary proof for price adjustments:

(i) All claims must be properly substantiated by documentary evidence to the satisfaction of the Head of Health.

(ii) The following information must be supplied when claims for rate of exchange variations are lodged:

- Documentary evidence of currency and amount paid to foreign supplier
- Supplier's invoice
- Bill of entry/landing
- Copy of institutions order, delivery note and invoice

4.2.5 Failure to comply with the conditions as per par. 5.2.2 to 5.2.4 **will invalidate** the claim.

5) Qualification of bid / quotation documents

- 5.1 The invitation form (SBD 1 / Quotation Invitation Form) must be **completed in full, stamped where it is required and signed originally** (in black pen ink) by the person in the company who is authorised to do so. **Failure to sign the offer will invalidate the offer.**
- 5.2 The SBD forms and all other bid forms must be submitted in the original format. The Office will only consider the original bid documents issued by the Office and signed by the company. Bid documents that are retyped, transmitted by facsimile, electronic mail or changed in any other way, will invalidate the bid. Scanned documents, which are completed in the original, will be acceptable.

6) Applicable Declarations – SBD 4, SBD 6.1:

All declarations must be **originally completed** in full and duly signed by the bidder and where required, two witnesses.

6.1 SBD 4 – Declaration of Interest

All the state employees are not allowed to do a business with the Free State Department of Health.

7) Corrections to documents:

- 7.1 Correction fluid (like Tippex for example) must not be used in bid documents in order to correct mistakes. Where a company wishes to correct a mistake, a single line must be drawn through it and the company must place his/her signature and date next to the correction, so that the original entry is still visible and legible. Failing to rectify mistakes in this manner will invalidate the bid or the relevant item, or the relevant clause.
- 7.2 In all other cases of alterations/corrections a full signature and date must be attached above, next to or below the said alteration or correction. If not signed in full at the correction the specific item/bid/quotation will not be taken into consideration.
- 7.3 Companies must check the numbers of the pages on the bid document and should satisfy themselves that the document is complete and that none of the pages are missing or duplicated before the closing date of the bid. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.
- 7.4 Where **specific goal points** are claimed on the SBD 6.1 form, the form must be completed in full, must be signed by the company and both witnesses otherwise the points claimed will not be considered.
- 7.5 The bid must be submitted in a sealed envelope. The **correct** bid number and closing date must be clearly indicated on the front of the envelope and the bidder's details on the back. The envelope must be placed in the bid box as indicated, before or on the closing date and time of the bid. On failure to comply the bid will not be considered. Bids, which are **received after the closing date and time**, will not be accepted and will be returned to the bidder.

8) Tax Clearance Certificates

- 8.1 **Original valid Tax Certificates must be attached** to the bid documents. Where the Tax Clearance Certificate is not attached the information will be verified on the Central Supplier database. The Department will not accept a bid from a bidder, whose tax matters were not declared to be in order by SARS.
- 8.2 Each party to a Consortium/Sub-contractor/Joint Venture must submit a separate original valid Tax Clearance Certificate. If the Tax Clearance certificates are not attached such information will be verified on the Central Supplier Database. Each party's Tax matters must be declared to be in order by SARS.
- 8.3 Period Contracts: Should the bid be accepted; the contractor must provide the Department (Compliance Office) throughout the contract period with a valid Tax Clearance Certificate on or before the expiry date of each certificate in the possession of the Office.

- 8.4 The Department has the right to verify the Tax Clearance Certificate submitted by a company at any SARS branch office nationwide.

9) Compulsory Explanatory Meeting and / or Site Visit

- 9.1 A compulsory explanatory meeting and/or site visit if so required in the bid documents and bid advertisement must be attended. Failure to attend will invalidate the bid. In case of a joint venture, consortium all companies must attend the meetings and submit their own attendance certificate in the company's name.
- 9.2 An attendance certificate per company must be signed and stamped by an official of the Department with registration at the meeting. The document/s must be attached in its original to the bid document. Copies of the document will not be accepted.
- 9.3 Information already provided at the meeting will not be repeated to late attendees.
- 9.4 A copy of the minutes of the meeting can be made available to companies on request.

10) Payment to suppliers

Payments will be handled as prescribed by the PFMA and will normally be effected within 30 days of receipt of all the required documentation, which should be correct in every respect.

11) Legislation / Laws

Companies must comply with the provisions of current Labour Legislation as well as any other relevant legislation or legal requirement.

12) Validity period of bid

The period for which offers are to remain valid and binding (in order for the Department to finalize it), is indicated in the bid documents (SBD 3.1 / 3.2) and is calculated from the closing day with the understanding that offers are to remain in force and binding until the close of business on the last day of the period calculated and if this day falls on a Saturday, Sunday or Public Holiday, the bid is to remain valid and binding until the close of business on the following working day.

13) Quantities

Where quantities are specified in the bid documents the Department cannot guarantee that they will be ordered as such, as it depends on Departmental needs. The Department is not liable for any losses the contractor might suffer for not ordering specific quantities.
Where quantities are specified, "as required" the quantities will be ordered as and when needed.

14) Samples

- 14.1 Samples to be submitted (if so required in the bid documents), must be clearly marked with the bid and item number as well as the company's name.

UNDER NO CIRCUMSTANCES SAMPLES SHALL BE INCLUDED IN THE BID DOCUMENTS. SAMPLES INCLUDED IN BID DOCUMENTS WILL NOT BE CONSIDERED

- 14.2 The samples must be delivered to the addressee mentioned in the bid documents so as to reach him/her not later than the closing date and time of the bid.
- 14.3 Samples shall be supplied by the bidder at his/her own expense and risk.
- 14.3.1 Samples of the successful company will be kept with the Department until the end of the contract period and will be returned to the company only if so stated in the bid/quotation documents.

- 14.4 All samples provided, which must be returned to the company must be removed on request of the Department at the company's own expense and risk within the specified period. On failing to comply with, the company will forfeit ownership and the sample shall forthwith be disposed of at the discretion of the Department.

15) Bid prices

- 15.1 Prices of bids must be provided for the specific units as required per SBD 3 forms. The packaging may vary and will be considered unless specific packaging is required.
- 15.2 Bid prices must be all inclusive and no additional cost will be paid for e.g. delivery, VAT, etc.
- 15.3 Bid prices must be indicated on the relevant SBD 3 form/s unless otherwise requested by the Department.

16) Price lists

Price lists **will not be considered** for acceptance of the bid unless it was specifically requested in the bid / quotation documents.

17) Specification – company's response

Where a specification provides for the company's response to the different points of specification, the bidder's part must be properly completed or the bid or the relevant item will be disqualified. Where items deviate from the requirement, the deviation must be indicated.

18) Adjudication of bid

- 18.1 Chapter 6 of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004), that deals with the Register for Tender Defaulters, as well as Regulations made by the Minister of Finance in this regard, are applicable when adjudicating a bid/quotation.
- 18.2 The Department may terminate the bid/contract in whole or in part if representatives of the Department, is in the judgement that the bidder has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 18.3 In the event of a bid being awarded as a result of specific goal points claimed in terms of the revised Preferential Procurement Regulations 2022, the contractor may be required to furnish documentary proof to the satisfaction of the Department.
- 18.3.1 The Department will act against the bidder or person awarded the contract upon detecting that the specific goal points for B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the contract conditions have not been fulfilled.
- 18.3.2 The Department may, in addition to any other remedy that it may have against the bidder or person:
- 18.3.3 Disqualify the bidder or person from the bidding process;
- 18.3.4 Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- 18.3.5 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;
- 18.3.6 Restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after applying the *audi alteram partem* (hear the other side) rule; and
- 18.3.7 Forward the matter for criminal prosecution.

19) Restriction of business interest of employees conducting business with the Provincial Government

An employee may not have a business interest in any entity conducting business with the Provincial Government.

20) Compliance to contract

- 20.1 The Department will monitor compliance to the contract after adjudication of the bid that include, but need not be limited to, site inspections and the request for documentary proof of compliance with the PFMA and relevant legislation.
- 20.2 Where services are rendered, which involves minimum wages for employees in terms of the sectoral wage determination, the Department reserves the right to request copies of payslips of employees during the period of the contract.

21) Contract signing

In response to an invitation to bid, companies must submit bid which in terms of the law represent offers. Once an offer is accepted and a bid is awarded to a successful company, a legal contract comes into existence.

The Department will not enter into any other contract than the SDB 7.1 or 7.2 form to be concluded as a result of acceptance of the bid.

22) Financial schedules

The financial schedule and annexure(s) for breakdown on salaries/wages where applicable, must be fully completed and submitted with the bid.

23) Declaration of Interest

Failure to declare interest on the part of the company or officials from the Department is unacceptable, which will lead to the bid/quotation not being considered.

24) Descriptive literature / brochures / pamphlets

If so required, the company must supply descriptive literature, brochures or pamphlets. Descriptive literature is regarded as text and photos as issued by the original manufacturer.

25) Performance Security / Surety

A Performance Security / Surety is not applicable to all bid. Where it is a requirement in a specific bid, it will be indicated in the bid documents as well as the period in which the performance security / surety must be submitted. If so required, it must be provided to the Department within the required period or the Department will have the right to cancel the contract and to claim any damages suffered from the contractor.

26) Accredited representative

If you are an accredited representative in South Africa for the goods/services offered written proof from the original supplier must be enclosed. (Refer to the SDB 1 form). Failure to do so will result in the offer not being considered.

27) Equipment exceeding specifications

There might be cases where the specifications do not address latest developments in technology. Where this is the case, the company must indicate next to the specific requirement in the specification to what extent the improved technology is offered. The Department may consider such offers in the adjudication process on condition that full details are provided for comparison purposes.

28) Delivery and documents

If so required, details of shipping and/or other documents to be furnished by the supplier are specified in the bid document

29) Insurance

Insurance as prescribed in the GCC par. 11 is applicable. Specific requirements over and above GCC par. 11 will be specified in the bid/quotation document.

30) Incidental services

Incidental services if so required will be handled as specified in the bid document.

- 31) **Spare parts**
Spare parts forms part of the specification of the bid/quotation and must be dealt with as such.
- 32) **Warranty**
- 32.1 Only new, unused goods must be supplied unless otherwise stated in the bid document.
- 32.2 The General Conditions of Contract par. 15 will apply unless otherwise stated in the bid documents.
- 32.3 Suppliers must remedy defect(s) on goods delivered within the period stated in the bid/quotation document or within the period as required by the Department.
- 33) **Penalties**
Penalties will be imposed as per current prime interest rate as prescribed by the General Conditions of Contract par. 22 unless otherwise stated in the bid/quotation document.
- 34) **Settlement of disputes**
The parties hereby agree that in the case of a dispute that cannot be resolved mutually, the dispute will be referred for settlement to the Secretary of the Law Society in the Free State, and in the case of the said Society's unwillingness to hear the dispute, such dispute will be referred to the Chairperson of the Bar Council for the Society for Advocates and/or his/her nominee.
- The parties agree that the decision of the presiding officer in the dispute settlement procedure will be final and that neither of the parties will institute legal action against the other following the dispute settlement.
- 35) **Termination of contracts: Unfulfilled orders**
On termination of the contract, unfulfilled orders will automatically be cancelled and where appropriate, be supplied in terms of any subsequent contract.
- 36) **Cession of contracts**
The supplier shall not cede, in whole or in part, its obligations to perform under the contract or payments made/or to be made by the Department to the supplier, except with the Department's prior written consent.
- 37) **Acceptance of the Special Conditions of Contract and General Conditions of Contract**
Failure to accept the Special Conditions of Contract and the General Conditions of Contract or any part thereof, may result in the bid/quotation not being considered.
- 38) **THE COMPANY MUST COMPLETE THE FOLLOWING:**

I,in my capacity as of the company, hereby certifies that I took note and accept the above-mentioned Special Conditions of Contract.

.....
SIGNATURE

.....
CAPACITY

Contact person of company:

Tel. of Company: (.....) Fax of Company: (.....)

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

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 | <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)