



sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

Private Bag X897, Pretoria 0001 – Sechaba House, 202 Madiba Street and Paul Kruger, Pretoria 000
Tel: (012) 441 3000, Fax: (012) 441 3699

Enquiries : Mr. Tuelo Thubisi/ Ms. R Zulu

Tel : 012 441 3504/ 012 441 3089 Reference : DSAC 15/21-22

THE APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY TO PROVIDE TRAVEL MANAGEMENT SERVICES TO THE DEPARTMENT OF SPORT, ARTS AND CULTURE FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

REQUIRED BY: DEPARTMENT OF SPORT, ARTS & CULTURE

1. Kindly furnish the Department with a bid for the services shown on the attached forms.
2. The General Conditions of Contract (GCC) as well as the SBD1, SBD2, SBD3.3, SBD 4, SBD 6.1, SBD8 and SBD9 forms are attached for completion.
3. These forms must be returned with your bid. Bid documents must be submitted on a separate envelope stipulating the following information: Name and Address of the Bidder, Bid Number and Closing Date of the Bid. The Budget Proposal must also be submitted on a separate envelope where necessary. **Interested parties to submit an original document plus 4 copies of the original document.**
4. All bids forwarded by postal services must be addressed to: The Director-General, Department of Sport, Arts and Culture, Sechaba House, 202 Madiba Street, Pretoria, 0001, attention: Director Supply Chain Management, and reach this address no later than the closing date and time. Alternatively, bids may be deposited by hand at the Department of Sport, Arts and Culture, Sechaba House, Cnr Paul Kruger & Madiba Streets, Pretoria.
5. The closing date for the tender is on the 10 December 2021 at 11:00am.
6. Virtual Briefing Session on the 19th November 2021

Link <https://bit.ly/BriefingSessionDSAC15-21-22>

MS REFILWE ZULU

DIRECTOR: SUPPLY CHAIN MANAGEMENT

DATE: 12/11/2021

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: DSAC 15/21-22
CLOSING TIME 11:00 AM	CLOSING DATE: 10 December 2021

OFFER TO BE VALID FOR90...DAYS FROM THE CLOSING DATE OF BID.

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

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

Name of Bidder:

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

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

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

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

(Department of Sport, Arts and Culture)

Mr. T Thubisi

Tel: 072 604 7259

Email: tuelot@dsac.gov.za

Or for technical information –

Ms Pureshni Almeida Phala

Tel: 012 441 3696

Email: pureshnia@dsac.gov.za



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Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

ANNEXURE B

SBD 4

DECLARATION OF INTEREST

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

3 below.

¹"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:

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

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

YES / NO

.....

.....

.....

YES/NO

.....

.....

.....

YES/NO

.....

.....

.....

[illegible]

4 DECLARATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

3. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18

3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

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

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional service provider
 - ☐ Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a

result of that person's conduct;

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

WITNESSES

1.

2.

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

DATE:

ADDRESS

.....

.....



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Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

**Appointment of a Travel Management Company
To Provide Travel Management Services to the Department of Sport, Arts and Culture**



sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

DSAC 15/20-21

**REQUEST FOR PROPOSAL FOR APPOINTMENT OF A TRAVEL
MANAGEMENT COMPANY TO PROVIDE TRAVEL MANAGEMENT
SERVICES TO THE DEPARTMENT OF SPORT, ARTS AND CULTURE
FOR THE PERIOD OF 36 MONTHS**

CLOSING DATE AND TIME OF BID:

10 DECEMBER 2021

VIRTUAL BRIEFING SESSION:

19 NOVEMBER 2021 AT 10H00-11H00

LINK: <https://bit.ly/BriefingSessionDSAC15-21-22>

BID VALIDITY PERIOD: 90 DAYS

**Appointment of a Travel Management Company
To Provide Travel Management Services to the Department of Sport, Arts and Culture**

1. INTRODUCTION

The Department of Sport, Arts and Culture (DSAC) seeks to appoint a qualified service provider to provide travel management services for a period of thirty-six months.

The Department's mission is to provide an enabling environment for the Sport, Arts and Culture Sector to foster an active, creative, winning and socially cohesive nation.

In order to achieve this mission, the department requires travel management services which are responsive to the unique environment in which this department operates.

2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidder(s) for the provision of travel management services to the Department of Sport, Arts and Culture.

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

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

3. DEFINITIONS

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

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

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

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

Bill-back: means the supplier sending the bill back to the Travel Management Company, who pays and in turn, invoices the Department of Sport, Arts and Culture for services rendered.

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

Department: means the Department of Sport, Arts and Culture that requires the provision of travel management services.

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

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

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

Lodge Card: is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit card number which is “lodged” with the Travel Management Company at to which all expenditure is charged.

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

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

Service Level Agreement: is a contract between the Travel Management Company and Government that defines the level of service expected.

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

Third party fees: are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the Travel Management Company. These will fees will include flights, accommodation, car rental, shuttle services and similar.

**Appointment of a Travel Management Company
To Provide Travel Management Services to the Department of Sport, Arts and Culture**

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

Traveller refers to a Government official, consultant, contractor or any other person/s travelling on official business on behalf of Government.

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

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

Travel Management Company: refers to the Company contracted to provide travel management services (Travel Agents).

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

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

VAT: means Value Added Tax.

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

4. SCOPE OF WORK

4.1 Background

The Department of Sport, Arts and Culture currently makes use of a travel management company(TMC) to manage the travel requisitions and travel expenses processes within the travel management lifecycle. The travel requisition process is currently a semi-automated process.

The Department of Sport, Arts and Culture's primary objective in issuing this RFP is to enter into agreement with a successful bidder(s) who will achieve the following:

- (a) Provide the Department of Sport, Arts and Culture with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;
- (b) Achieve significant cost savings for the Department without any degradation in the services;
- (c) Appropriately contain the Departments risk and traveller risk.

4.2 Travel Volumes

The total travel volumes per annum includes a variety of travel categories. The table below details the estimated number of transactions for a year, under normal circumstances where COVID-19 does not place any limitations on travel behaviours:

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Service Category	Estimated Number of Transactions
Air travel – Domestic	10 000
Air Travel – International	750
Car Rental – Domestic	500
Shuttle Services – Domestic	6000
Accommodation – Domestic	6500
Accommodation – International	150
Bus/Coach bookings	20

Note: These figures are projections based on trends before COVID-19, and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

4.3 Service Requirements

4.3.1 General

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

- (a) The travel services will be provided to all Travellers travelling on behalf of the Department of Sport, Arts and Culture, locally and internationally. This will include employees, contractors, consultants and any other persons where the agreement is that the Department of Sport, Arts and Culture is responsible for the arrangement and cost of travel.
- (b) Provide travel management services during normal office hours (Monday to Friday 08h00 – 17h00) and provide after hours and emergency services.

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- (c) After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 08h00) and twenty-four (24) hours on weekends and Public Holidays.
- (d) Familiarisation with current travel business processes of the Department of Sport, Arts and Culture.
- (e) Familiarisation with current travel suppliers and negotiated agreements that are in place between the Department of Sport, Arts and Culture and third parties. Assist with further negotiations for better deals with travel service providers.
- (f) Familiarisation with the current Department Policy on Travel and implementations of controls to ensure compliance.
- (g) Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- (h) Provide an on-line facility for the Department to update their travellers' profiles.
- (i) Manage the third party service providers by addressing service failures and complaints against these service providers.
- (j) Consolidate all invoices from travel suppliers.
- (k) The TMC will be requested to conduct workshops and training sessions for Travel Bookers of the Department of Sport, Arts and Culture.
- (l) All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.

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- (m) The TMC must ensure sound communication with all stakeholders.
- (n) Link the business traveller, travel coordinator, and travel Management Company in one smooth continuous workflow.
- (o) The Travel Management company will provide services as follows:
- Flights-domestic and international
 - Accommodation-domestic and international
 - Bus/train-passenger
 - Railing-vehicles
 - Travel Insurance (international travel)
 - Excess baggage
 - Conferencing, meeting rooms and all related meeting logistics and services.
 - Shuttle services.
 - Car rental.
 - Parking at airports.
 - Group bookings.

4.3.2 Reservations

	The Travel Management Company will:
a.	Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel Booker and traveller via the agreed communication medium.
b.	Always endeavour to make the most cost effective travel arrangements based on the request from the traveller and/or travel Booker.

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c.	Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.
d.	Obtain price comparisons for all travel requests where the routing or destination permits in accordance with the Department Policy on Travel.
e.	Book the negotiated discounted fares and rates where possible.
f.	Must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
g.	Book parking facilities at the airports where required for the duration of the travel.
h.	Respond timely and process all queries, requests, changes and cancellations timeously and accurately.
i.	Must be able to facilitate group bookings (e.g. for meetings, conferences, events, accommodation).
j.	Must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
k.	Advise the Traveller of all visa and inoculation requirements well in advance.
l.	Assist with the arrangement of travel insurance for international trips where required.
m.	Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
n.	Facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.
o.	Note that, unless otherwise stated, all cases include domestic and international travel bookings.
p.	Visa applications will not be the responsibility of the TMC; however the relevant information must be supplied to the traveller(s) where visas will be required.
q.	Negotiated airline fares, accommodation establishment rates, car rental rates, etc., that are negotiated directly or established by National

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	Treasury or by the Department are non-commissionable, where commissions are earned for the Department of Sport, Arts and Culture bookings, all these commissions should be returned to the Department on a quarterly basis.
r.	The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to the Department's Travel unit on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
s.	Ensure Travel Supplier accounts are settled timeously.
t.	Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by the Department of Sport, Arts and Culture.

4.3.3 Technology, Management Information and Reporting

- (a) The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- (b) The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.
- (c) All management information and data input must be accurate.
- (d) The TMC will be required to provide the Department with a minimum of five (5) standard reports on a monthly basis that are in line with the National Treasury's Cost Containment Instructions reporting template requirements, at no cost. These include, but are not limited to:
 - Travel analysis and statistics;

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- After hours' report;
 - No show report;
 - Open voucher report;
 - Reconciled reports for Travel Lodge card statement.
- (e) Reports must be accurate and be provided as per the Department's specific requirements at the agreed time. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).
- (f) The Department of Sport, Arts and Culture may request the TMC to provide additional management reports.
- (g) Reports must be available in an electronic format for example Microsoft Excel and Power-point.
- (h) The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

4.3.4 Value Added Services

- (a) Electronic voucher retrieval via web and smart phones;
- (b) SMS notifications for travel confirmations;
- (c) Travel audits;
- (d) Global Travel Risk Management;
- (e) VIP services for Executive Management that include, but is not limited to check-in support.
- (f) Automated travel booking system.

4.3.5 PRICING MODEL

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The Department of Sport, Arts and Culture requires bidders to price on the transactional fee model. The transaction fee must be a fixed amount per service. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.

5. EVALUATION AND SELECTION CRITERIA

The Department of Sport, Arts and Culture has set minimum standards that a bidder needs to meet in order to be evaluated and selected as a successful bidder.

TECHNICAL EVALUATION CRITERIA

No	Criteria	Score
5.1	EXPERIENCE IN RENDERING A SIMILAR SERVICE	10
5.1.1	In order to test the capability of the prospective bidders to manage this contract, each bidder is required to submit a <u>list</u> of previous experience in terms of volumes of travel bookings, the nature of travel business including dealing with large groups of people within the sporting and cultural fraternity both nationally and internationally.	
5.1.2	Provide references for the above from a minimum of three (3) contactable existing/recent clients (within past 3 years) which are of a similar or larger in size to the Department of Sport, Arts and Culture whom we may contact for references. The letters must include: company name, contact name, address, phone number, and duration of contract, value of the travel expenditure, a brief description of the services that you provided and the level of satisfaction. <u>Scoring:</u> Less than 3 letters = 0 points	

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	3 - 5 letters = 5 points 6 letters and above = 10	
5.2	PROJECT PLAN The Project plan must consist of :	30
5.2.1	A detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.	(10)
5.2.2	Description of your reservations processes, group bookings, afterhours and emergency services in detail.	(10)
5.2.3	Description of your communication process where the traveller, travel co-ordinator/booker and travel management company will be linked in one smooth continuous workflow and how you will ensure that travel bookers are informed of the travel booking processes.	(5)
5.2.4	An overview of your back-office processes, describe roles and responsibilities of assigned staff and provide the staff structure for this account.	(5)
5.3	ASATA MEMBERSHIP Proof of membership must be provided.	10
5.4	FINANCIAL MANAGEMENT Please provide a plan with the following details:	10
5.4.1	Describe how you will implement the negotiated rates and maximum allowable rates established either by the Department of Sport, Arts and Culture or the National Treasury.	
5.4.2	Describe how you will manage the 30-day bill-back account facility, timing and deliverables.	
5.4.3	Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities.	
5.4.4	Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of	

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5.4.5	invoices to Department of Sport, Arts and Culture. Please describe credit card reconciliation process, timing and deliverables (if applicable).	
5.5	TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING Please provide a plan with the following details:	10
5.5.1	Describe the proposed booking system e.g. Global Distribution System (GDS), Online Booking Tool (OBT) or Self-Booking tool (SBT).	
5.5.2	Describe how travel consultants access and book web fares i.e. non-GDS inventories (low cost carriers/ consolidators), and hotel web rates.	
5.5.3	Describe how you will manage data and management information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, and transaction level data.	
5.5.4	Give actual examples of standard reports that you currently have available. Give an indication if reports can be customised.	
5.5.5	Provide a description of all technology and reporting products proposed for the Department of Sport, Arts and Culture.	
5.5.6	Provide commitment that the TMC can comply with the Department of Sport, Arts and Culture's monthly reporting requirement as prescribed by National Treasury.	
5.5.7	Describe the compatibility of your online solution to fully integrate into Department of Sport, Arts and Culture's systems. Indicate the turnaround time to complete this process and a breakdown of the expected cost that will be associated with it (in case Department of Sport, Arts and Culture decide to integrate).	
5.6	ACCOUNT MANAGEMENT Please provide a plan with the following details:	10
5.6.1	Provide the proposed Account Management structure / organogram.	
5.6.2		

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5.6.3	Describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service.	
5.6.4	Describe how queries, requests, changes and cancellations will be handled. Detail your mitigation and issue resolution process. Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure must be submitted.	
5.6.5	Provide plans to ensure that the travel management services are implemented in accordance with the Department's Travel Policy.	
5.6.6	Detail how will you manage the service levels and how will you go about doing customer satisfaction surveys. Indicate what workshops/training will be provided to Travellers and /or Travel Bookers.	
5.7	COST MANAGEMENT & VALUE ADDED SERVICES	20
5.7.1	Describe how you will assist the Department of Sport, Arts and Culture to realise cost savings on annual travel spend.	(10)
	Describe your detailed strategic cost savings plan for the contract duration. Indicate the items you target for maximum cost savings results.	
5.7.2	Please provide detailed information on any value-added services your company can offer.	(10)
	Total	100

5.8 The evaluation of submitted bids will be conducted as follows:

- (a) Only the qualifying bids will be evaluated in terms of the 80/20 preference points system, where 80 points will be allocated to price only and 20 points will be allocated to the bidder's BBBEE status level of contribution.

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- (b) A bidder that scores less than 70 out of 100 in respect of “functionality” will be regarded as submitting a non-responsive bid and will be disqualified.

6. TENDER REQUIREMENTS

The following is required of tenderers and should be submitted to the department as part of the tender submission:

- 6.1 Company profile.
- 6.2 All Bidders must be registered on the National Treasury central supplier database (CSD) and attach a copy of the most recent report to your tender document. The tax status on CSD must be complete because Department is unable to award a contract to a company whose tax affairs are not in order as determined by SARS.
- 6.3 Vat registration certificate.
- 6.4 Original and valid and / or certified copy of B-BBEE status level certificate bearing SANAS logo from an accredited verification agency or qualified registered accountant / auditor if EME. Failure to submit a valid B-BBEE certificate will result in zero preference points being awarded for B-BBEE.
- 6.5 Company registration documents (Proof of ownership/ shareholding certificate).
- 6.6 Certified ID copies of owners/ directors.
- 6.7 Valid contact details, physical address and e-mail address.
- 6.8 CVs of all persons involved in the bid.
- 6.9 References should be provided, as well as an indication of experience with similar projects.
- 6.10 A detailed proposal and a work plan with set deadlines/timetable.
- 6.11 Bidders are requested to provide one original copy of the tender documents and 5 copies of all documents.

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- 6.12 The company should include VAT in the costing.
- 6.13 The DSAC and the successful bidder will enter into a service level agreement which must comply with the PFMA.
- 6.14 A business plan or proposal will be required indicating demonstrated experience in indicated evaluation criteria.
- 6.15 All documents submitted as proof to substantiate evaluation criteria can be submitted as annexures.

7. CONTRACT PRICE ADJUSTMENT

- 7.1 All bidders must provide a detailed cost breakdown. Pricing will be valid for one year and thereafter annual increases.
- 7.2 Contract price adjustments will be done annually on the anniversary of the contract start date. The price adjustment will be based on the Consumer Price Index Headline Inflation of the previous month.

8. SERVICE LEVEL AGREEMENT

- 8.1 Upon award the Department of Sport, Arts and Culture and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by the Department.
- 8.2 The Department reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder by amending or adding thereto.

9. PRECEDENCE

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- 9.1 This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

10. TAX COMPLIANCE

- 10.1 No tender shall be awarded to a bidder who is not tax compliant. The Department of Sport, Arts and Culture reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to the Department or whose verification against the Central Supplier Database (CSD) proves non-compliant.
- 10.2 The Department further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

11. BRIEFING SESSION

- 11.1 A virtual briefing and clarification session will be held on the 19 November 2021 at 11h00 to clarify to bidder(s) the scope and extent of work to be executed.

12. TIMELINE OF THE BID PROCESS

- 12.1 The period of validity of tender and the withdrawal of offers, after the closing date and time is 90 days.

13. LATE BIDS

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

14. SUPPLIER DUE DILIGENCE

- 14.1 The Department of Sport, Arts and Culture reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

15. SUBMISSION OF PROPOSALS

- 15.1 Bid documents should be submitted to the Department of Sport, Arts and Culture at Sechaba House, 202 Madiba Street, Pretoria by the closing date and time.
- 15.2 Bid documents will only be considered if received by the Department by the closing date and time, regardless of the method used to send or deliver such documents.

16. PRESENTATION / DEMONSTRATION

- 16.1 The Department of Sport, Arts and Culture reserves the right to request presentations/demonstrations from the short-listed Bidders as part only for clarification purposes.

17. DURATION OF THE CONTRACT

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- 17.1 The successful bidder will be appointed for a period of 36 (thirty six) months. The contract will be reviewed on an annually based on performance.

18. CONTACT AND COMMUNICATION

- 18.1 Tender administration enquiries:

Ms R Zulu at [012 441 3089](tel:0124413089) or RefilweZ@dsac.gov.za.

Mr T Thubisi at 012 441 3504 or Tuelot@dsac.gov.za.

- 18.2 Technical enquiries:

Ms P Almeida, 012 441 3696 or pureshnia@dsac.gov.za

(2021/10/18)

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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