

BID NO: 004-2023/2024.

APPOINTMENT OF A SOFTWARE DEVELOPMENT SERVICE PROVIDER FOR THE PURCHASING OF THE INTEGRATED LEARNER MANAGEMENT SYSTEM (LMS) TO THE CETA

RFP NUMBER:	BID NO: 004-2023/2024
DESCRIPTION:	APPOINTMENT OF A SOFTWARE DEVELOPMENT SERVICE PROVIDER FOR THE PURCHASING OF THE INTEGRATED LEARNER MANAGEMENT SYSTEM (LMS) TO THE CETA
ADVERT / PUBLISH DATE:	14 February 2024
CLOSING DATE:	06 March 2024
CLOSING TIME:	11h00
VALIDITY PERIOD	120 days from the closing date
PREFERENCE POINT SYSTEM	80/20
BRIEFING SESSION	None
BID RESPONSES MUST BE HAND DELIVERED TO:	CETA Head Office 52 14 th Road Noordwyk Midrand 1687
ATTENTION:	Supply Chain Management – Bids
NB: Bidders must ensure that they sign the tender register at the CETA Head Office Reception when delivering their bids responses. Bidders who will use Courier companies are to ensure that the Courier company writes the name of the bidding company on the tender register at CETA H/O Reception. Submissions not registered on the tender register will be disqualified. The closing time is as per the clock displayed at the CETA Head Office Reception. The CETA reserves the right not to appoint or to cancel this tender at any time as circumstances dictates. It should be noted that the award may not necessarily be to the lowest bidder; and that cost effectiveness does not equal the lowest price quote.	

TERMS, ABBREVIATIONS AND ACRONYMS

Term	Description
ATR	Annual Training Report
CETA	Construction Education and Training Authority
DHET	Department of Higher Education and Training
DG	Discretionary grants
EFT	Electronic Funds Transfer
ETQA	Education and Training Quality Assurance
LMS	Learner Management System
NLRD	National Learner Records Database
NQF	National Qualification Framework
NSDP 2030	National Skills Development Plan 2030
OFO	Organized Framework for Occupations
QCTO	Quality Council for Trades and Occupations
SETIMS	Sector Education and Training Management Information System
SAQA	South African Qualification Authority
SDF	Skills Development Facilitator
SETA	Sector Education Training Authorities
SLA	Service Level Agreement
SDL	Skills Development Levy
WSP	Workplace Skills Plan

COMPULSORY DOCUMENTS – FOR THE MAIN BIDDER

Please note that failure to submit the following documents and/or proof will lead to immediate disqualification from BID evaluation process:

1. Attached proof of Ownership Certificate or Accredited Partnership Certificate for proposed product

BID CONDITIONS

1. All bidders are required to register on the National Treasury Central Supplier Database (CSD). The CSD proof of registration will be used by CETA to verify the bidder's tax compliant status at the time of BID award.
2. **This RFQ will only be awarded to bidders who are tax compliant on National Treasury CSD on award.**

OTHER REQUIRED DOCUMENTS

Please note that failure to attach the following documents will result in the forfeiture of preference points:

- Completed and signed:
 - SBD 1
 - SBD 4
 - SBD 6.1
 - SBD 7.2
 - GCC

OTHER REQUIRED DOCUMENTS

Please note that failure to attach the following documents will result in the forfeiture of preference points:

3. EMEs:

Sworn affidavit confirming their annual total revenue of R10 million or less and level of black ownership or a B-BBEE level verification certificate.

4. QSEs

Sworn affidavit confirming their annual total revenue of between R10 million and R50 million and level of black ownership or B-BBE level verification certificate.

5. Bidders other than EMEs and QSEs:

Original and valid B-BBEE status level verification certificate verified by a SANAS accredited verification agency, or a certified copy thereof.

Please double-check that you have attached all the above documents before submitting your

bid document.

BID DOCUMENTS CHECK LIST:

The contents of the bid document must be as follows, and numbered as per the numbering below, with each schedule punched, placed in a file, and separated from the next schedule with a file divider.

Please complete the checklist below to verify your submission of the relevant documents:

Schedules	Description	Submitted – Indicate YES or NO
Schedule 1	Proof of registration with National Treasury Central Supplier Database (CSD)	
Schedule 2	Proof of Partnership Certificate for proposed product	
Schedule 3	Letter from the bank confirming banking details.	
Schedule 4	Reference letters	
Schedule 5	Methodology and approach	
Schedule 6	CV's and Qualifications of proposed team	
Schedule 7	Pricing Schedule	
Schedule 8	Company Profile	
Schedule 9	Audited Financial Statement (past 2 years)	
Schedule 10	Valid BBBEE documents	

BID SUBLMISSION

Bidders are required to submit **one (1) hard copy proposal** of the bid document.

TERMS OF REFERENCE

APPOINTMENT OF A SOFTWARE DEVELOPMENT SERVICE PROVIDER FOR THE LEASING OF THE INTEGRATED LEARNER MANAGEMENT SYSTEM (LMS) TO THE CETA

1. INTRODUCTION

The Construction Education and Training Authority (CETA) calls for bids to be submitted from System Software Development Service Providers to sell and maintain an integrated Learner Management System (LMS) in support of the CETA's core business. The system must be compatible with existing CETA systems. The appointment will be for 36 months. The appointed provider must understand the current requirements in terms of Department of Higher Education and Training (DHET) LMS compliance for Sector Education Training Authorities (SETAs) and be able to assist the CETA to meet these requirements. All modules to go live within 6 months.

2. BACKGROUND

The CETA is a Sector Education and Training Authority established in terms of the Skills Development Act, 1998 as amended. The National Skills Development Plan 2030 (NSDP) has five principles and goals which guide the strategic plan and annual performance plan of the CETA.

The CETA is looking for an entity to purchase a Learner Management System (LMS) that can be customised which will fulfil the following requirements:

1. Review
2. Design
3. Develop, and
4. Maintain

The CETA Strategic Programmes are supported by the Learner Management System. This relates to core business processes including and not limited to the following:

- Research, Planning and Reporting,
- Mandatory Grant Management
- Discretionary Grants Management,
- Qualification Development,
- Accreditation of training providers,
- Registrations of practitioners,
- Learner Record Management,
- Learner Certification,
- Learning Programmes Project Administration and Management,
- Learning Programmes Monitoring and Evaluation,

- Internal and External Correspondence with all system users,
- Commitment Register Management.

The CETA has already developed standard operating procedures for most of its functions. Furthermore, the CETA has identified a number of system-related constraints which needs to be addressed through a modern, interactive, integrated and workflow-based LMS system. The CETA would like to ensure its LMS system is developed using the latest technologies and DHET reporting requirements.

The CETA would like to appoint a suitable service provider within the prescribed supply chain processes to procure/acquire and maintain the CETA LMS System. Potential service providers are required to send their proposals which must be linked to the LMS Modules as per CETA functionality areas. CETA will consider its budget availability, service provider project plan proposal timelines versus timing of NSDP 2030 end date as extended until 31 March 2030.

The development and maintenance of the CETA LMS must satisfy the IT Governance framework as defined in King IV and COBIT 5 framework and other related systems development standards.

3. OBJECTIVES OF THE CETA INTEGRATED LEARNER MANAGEMENT SYSTEM

CETA requires an LMS system that:

- Enables end to end automation of the entire core business function of the CETA which includes but is not limited to:
 - Skills planning and reporting.
 - Mandatory Grant Applications
 - Learning Programmes Administration and Management
 - Learning Programmes Monitoring and Evaluation
 - Learner Certification
 - Training Provider Accreditation
 - Qualification Development and Accreditation
 - Skills Development Practitioner Registrations
 - Intrasetra transfers
 - Commitment register administration and management
- Is an auditable modern, interactive, workflow-based system.
- Includes ICT security with maximum data integrity and reliability.
- Cloud based and compatible with mobile devices.
- Robust and user friendly, with clearly defined workflows.
- Allow for integration with existing CETA and external systems where applicable.
- Provide learner management information and performance dashboard functionality.
- Interface and align with national systems such as the DHET (SETIMS), SAQA(NLRD) and QCTO for detailed and compliant reporting.
- Must be developed with provision of access to both external and internal users.
- Fully supports reporting to external stakeholder systems such as those under the Department of higher Education and Training.

- Reporting and analytics functionality
- Complies with all audit requirements in terms of customised reports on all activities relating to learners entered and certified as well as detailed financial transactions for learners on projects.
- Mandatory system updates are to be considered on an annual basis to be specified per the identified need of the CETA for all relevant modules at no additional cost.
- QR coding of all learner certificates, accreditation certificates and practitioner registration certificates
- Communication through various platforms (email/sms etc)

FUNCTIONALITY OF CETA LMS

4. FUNCTIONAL REQUIREMENTS

4.1. Central user access and profile administration

- Management of system user profiles and roles
- Facilitate the intake of user access requests.
- Detailed user access and performance reporting (Audit logs)

4.2. Workplace Skills Plan (WSP) and Annual Training Report (ATR) automation module

- Allow for submissions of the WSP/ATR
- Complete Skills Development Facilitator (SDF) systems interface file upload and download processes managed by the LMS.
- Management of the employer and SDF information
- Data management of the information. This also contains payment history of grant disbursement, viewable by the employer on the SDF-WSP-ATR automation module, data/audit trail.
- Ability to assess the WSP-ATR submission outcome.
- Place all correspondence with employer and/or SDF into the "Liaison archive" module.
- An interactive SDF functionality
- Enable the employer/SDF to capture WSP and ATR of an organization online and generate WSP/ATR prepopulated authorization form.
- Ability to bulk upload WSP/ATR data and documents.
- Generate temporary organisation with unique numbers.
- Retrieval of the WSP/ATR data to generate the Sector Skills Plan (SSP) of the SETA SSP (Data dump)
- Customised reports on WSP/ATR process
- Online viewing of levy contribution and grants payments by external stakeholders
- Calculation of mandatory grants payable in line with the skills development levy (SDL) Act by merging levies received per employer and grants paid per employer since 2000 to date of payment.

4.3. Complete integrated and automated Mandatory Grants module

- Interface with the SETA financial system
- Complete automated process in terms of the levy income files.
- Complete batch Electronic Funds Transfer (EFT) request with source approval from levy file import.
- Inform bank system regarding batch payment.
- Auto notification to SDF or employer of grant disbursement
- Produce reports in line with Department of Higher Education and Training (DHET) reporting framework
- Automation of payment verification - both mandatory grants as well as discretionary grants - from implementation to supply chain and finance.
- Automated process to import monthly Skills Development Levy (SDL) files.
- Complete levy management should cover the following:
 - SDL adjustments of prior scheme years and quarterly payment processing
 - Below threshold SDL indication and liability flagging.
 - Administration grants indication / budget availability notification.
 - Manage discretionary grant allocation.
 - Manage allocation of penalty and interest into discretionary grant budget.
 - Manage sweeping of unclaimed mandatory grant to discretionary budget.
 - Second discretionary budget to SETA projects.
 - Financial reports
 - Manage SETA grants liabilities.
 - Scheme year indicators
 - Project Budgets and SETA commitments
- The system should be able to generate:
 - Direct levy deposit journal/s
 - Mandatory grant disbursement journal/s
 - Discretionary grant disbursement journals
 - Electronic payment files for importing into accounting system and batch payment request to bank.

4.4. Discretionary Grants module

- Interface with the SETA financial and accounting system
- Project managing and interfacing with the Education and Training Quality Assurance related to learner achievement.
- Complete levy management functionality.
- Detail account/budget allocation
- Allocation of total available discretionary grant to SETA projects and activates the interactive projects module.
- Detail financial related reporting in terms of commitments
- Manage projects for different funding windows.
- Integrate with the CETA's Discretionary Grant system and Finance.
- Ability to make reimburse Discretionary grants payments.

- Compile, update and maintain Commitment Schedule

4.5. Finance module.

The finance module needs to provide:

- Monitoring of programme budgets and report thereon (commitment register)
- Integration with the finance system

Requirements for Supply Chain Management

The module needs to be able to:

- Link with the Supply Chain Management Unit of the CETA
- Assist with the management of contracts.

Requirements for Mandatory Grants

The module should be able to:

- Integrate with the CETA's Mandatory Grant system.
- Facilitate, WSP approval and payment to companies.
- Companies approved by the Skills Department should automatically and reliably be approved on the finance system.
- The system should be able to draw reports on information per company, per year.
- Facilitate bulk payments.
- Enable the grants system to obtain information on payments made.
- Ability to sign/ approve documents online.

4.6. SETA projects management module

- Interface with discretionary grants (DG) commitments and SETA call
- Interface with the DG module on the LMS
- Complete project management and reporting module linked to:
 - SETA strategic objectives
 - Service Level Agreement (SLA) objectives
 - Contract management and archiving of signed SLA's.
 - ETQA / Learnerships
- Module supply order numbers
- Notify beneficiaries of payment requirements
- Recording of all evidence + store actual documents within the system
- Record project progress reports
- Request/interface with finance division to release reimbursive payments.
- Supply auto correspondence to all parties

4.7. Skills planning, learning programme and Qualification Module

- Cater for apprenticeships/Learnerships/skills programmes/RPL/TVET and University placements/Internships/Candidacy etc.
- Cater for clustering unit standards in a Qualification.
- Cluster unit standards formulating registered skills programmes.

- Interface with the National Learner Records Database (NLRD) supplied ID's for Learnerships implementation with accurate information.
- Generation: Quarterly Management Reports (QMR) and DHET SETA Learner Management System (SETMIS)
- Variance report to include areas in which people were trained.
- 1% Expenditure Report template to be populated on the system.
- Upload of the authorization of the 1% Quarterly Expenditure report
- Learnerships Agreements: Captured
- Skills Programmes: Captured
- Generation of Learnerships Certificates
- Organised Framework for Occupations (OFO) drop down menu.
- Inclusion of non-CETA service providers
- Monitoring of training providers

4.8. Quality Assurance Module

- Complete automated and integration to:
 - Apprenticeship achievement
 - Learnerships achievement and tracking
 - Qualification achievement and tracking
 - Unit Standard achievement and tracking
- Provider / Employer (Workplace provider) accreditation and administration.
- Interface with NLRD supplied provider list for importing of secondary providers due to programme approval.
- Total integrated NLRD Upload module and file processing aligned to the NLRD latest version specification.
- Assessor registration administration
- Moderator registration administration
- Learner registration and assessment functionality
- Learner management (updating learner information)
- Learner and achievement administration and notification
- Accreditation certification request and administration
- Qualification achievement certification request and administration:
 - Apprenticeship achievement
 - National Qualification Framework (NQF) Qualification achievement
- Complete stand-alone provider management system for the providers of the SETA/ETQA to manage:
 - Learner enrolments
 - Learner achievements
 - DG project management and reporting
 - Upload to SETA LMS
 - Monitoring of learner progress
- Request for endorsement and certification of learner achievement
 - Integration with other systems (Internal/external stakeholders e.g financial systems and verifications systems such as Identity
 - Automate the Submission of learner achievement data.
 - Automation of certification after verification from the CETA side.

- Comprehensive report functionality for building own filters and queries.
- Comprehensive early warning flagging in terms of provider accreditation, assessor, and moderator expiration
- LMS should be able to generate and send out professional letters of notification to stakeholders.
- All the required business rules are managed by the module, which ensure that both the system users and providers follow the required processes. This key feature ensures the ETQA compliance with policy and legislation.
- Track Annual Performance Plan targets against the performance.

4.9. Certification management Module

- Quality assurance for compliant learners
- Generation and printing of bulk certification
- Have functionality to generate auto signature on all Certificates/ Statement of Results
- Automate the generation and batch printing of:
 - Provider accreditation
 - NQF Qualification achievement
- Auto generate final moderation report
- Trigger notifications to relevant departments upon completion of a programme

4.10. Client liaison or Customer Relations module

- Automate the correspondence to:
 - Employers
 - Providers
 - Assessors
 - Moderators
 - Learners
 - SDF
- Auto generates and supply the correspondence by means of LMS generated auto e-mails.
- Achieve all correspondence and create a DMS (Document Management System) entry and receipt number for future access and reference purposes.
- Automate the correspondence to providers.

4.11. Provider learner management

- Complete Training Provider/Employer systems interface to register on LMS for access.
- Comprehensive learner management functionality for:
 - Management and administration of learner information and learner achievement/progress at the training provider and or the employer.
 - Direct integration with the SETA LMS
 - Upload data file/s to the SETA LMS
 - Receive data file/s from the SETA LMS .
 - Conform to the upload criteria of various SETA LMSs .

- The LMS acknowledge receipt of the load with a detail analysis and feedback report of the load. This happens automatically and the correspondence is recorded against the provider on the "Liaison history" module.
- Automation of site visits requests

4.12. Complete integrated reporting module

- Discretionary grants related reports
- Mandatory grants related reports
- WSP and ATR related reports
- Skills planning and Qualification related reports.
- All ETQA related reporting
- QCTO reports
- NLRD Upload file
- CETA Biometric Learner Attendance System – file import and export
- Certification distribution
- Finance related reports
- Generate custom reports for SSP development based on survey results.
- Generation: Quarterly Monitoring Report and DHET SETMIS compatibility in terms of extraction of custom files
- The system also needs to give us the same information that is going into setmis in .xls or pdf format.
- Facility to track and trace modules for easy correspondence functionality.
- Detailed filter and sorting functionality with the ability to export directly into Microsoft:
 - Word
 - Excel
 - PowerPoint

4.13. QCTO processes and alignment

- The LMS should be aligned to Quality Council for Trade and Occupations (QCTO) processes.
- Integrated modules in relation to QCTO latest developments
- The provider must be prepared to further develop and/or modify the system in alignment with QCTO and any other skills related developments.

4.14. Development of WSP and ATR monitoring module

- The provider must be prepared to further develop and/or modify the system to monitor WSP and ATR
- This module will cover monitoring of learners not funded by the CETA and through Mandatory Grants

4.15. Monitoring and Evaluation

- Creation and management of moderation schedules
- Creation and automation of moderation report
- Creation of monitoring reports

4.16. Data Migration

- Ensure 100% data migration of CETA data from the current CETA MIS to the new system.
- Conduct an audit of all data migrated to ensure integrity and security of information remains valid.
- Develop a scope and plan to migrate data into the new system.
- Data cleansing to avoid duplications.

4.17. Maintenance and Training

- Have a dedicated support desk to deal with system glitches.
- Have a consultant that is accustomed to the work of SETAs and able to advise and recommend solutions
- Have a dedicated resource to train users.
- Provide a digital/online training manuals and animated tutorials for all the modules on the system.

4.18. Project Handover

- A detailed handover of the developed system to be made to the CETA towards the end of the contract term.
- Hand over every phase sign off to the CETA
- Confirm that all tasks and responsibilities have been handed over and that the CETA has all necessary information and resources.
- Provide an overview of current projects and their status, including any deadlines and milestones.
- Conduct a training session to ensure the CETA is familiar with all tools, software, and processes.

4.19. Hosting Services

- The software will be hosted on the CETA cloud platform (in-house)

5. CROSSCUTTING FUNCTIONAL AREAS:

- System enhancement and integration across CETA Business processes and other related ICT Platforms e.g. (Finance module, DG system and learner biometric system etc.)
- Continuous capacity building of CETA LMS user and stakeholder awareness and functionality training where relevant

- Provision of service within a sound ICT Governance framework relating to inter alia ICT Security, change management, ICT risk management and business continuity.
- Monitoring through regular engagements with business units and reporting to CETA ICT Steering Committee
- Provision of help desk and LMS Queries and log calling

6. PROVISION OF A HELPDSK FOR LMS QUERIES (TECHNICAL HELPDESK)

6.1. Technical Helpdesk

- Ensure that the Help Desk is adequately resourced at all operational times.
- Receive CETA end-user requests, incidents, and queries.
- Open/Update requests and incidents
- Unless specifically agreed all contacts with the Help Desk (incidents, requests, and queries) will be logged.
- Perform initial problem determination in support of standard in-scope services:
 - Dispatch of software and hardware engineer or specialist to site as required.
 - Initial incident categorisation (type of fault).
 - Incident investigation/diagnostics.
 - Provision of fault diagnosis tools (e.g., knowledge management).
- Manage/track maintenance requests and queries.
- Provide weekly reports on progress Operations or CETA Management meeting.

6.2. Call/Query Closure:

- Define and document call / query-closure rules and parameters.

6.3. Trends & statistics

- Identify and report on trends.
- Include trend analysis in monthly reports.
- Trend analysis of incident/problems.
- Produce accurate and auditable statistics.
- Produce meaningful and accurate reports and administer help desk systems.
- Produce ongoing Customer Satisfaction Reports.
- Develop a knowledge transfer project plan to support the transfer of some of the IT support functions to the CETA internal IT Unit
- Deleting and modifying end user accounts within the CETA ICT governance framework

7. PROJECT DURATION

36 Months from date of acceptance

8. PRICING SCHEDULE

ITEM DESCRIPTION	QTY	Unit Price	Total Amount
1. System development and deployment costs (Once-off)	1	R	R
2. Monthly project management and maintenance cost for Year 1	12	R	R
3. Monthly project management and maintenance cost for Year 2	12	R	R
4. Monthly project management and maintenance cost for Year 3	12	R	R
SUB-TOTAL FOR 36 MONTHS			R
VAT			R
TOTAL FOR 36 MONTHS (INCLUDING VAT)			R

NB: Mandatory system updates and enhancements are to be considered on an annual basis by the appointed service provider to be specified/developed per the identified need of the CETA for all relevant modules at no additional cost.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

9. EVALUATION CRITERIA

9.1. Criterion 1 – Functionality

Functionality is worth 90 points. The minimum threshold is 70 points. Applicants who score less than 70 points on functionality will therefore be disqualified. Those who score 70 points or more will be further evaluated on presentations. The functionality evaluation is broken down as follows:

Past Relevant Experience (Attach contactable reference letters for LMS systems developed and implemented - on client's letterhead) Please note the following: Applicants must have specific experience and submit at least three contactable references similar to work undertaken within Higher Education Sector – Learner Management System (LMS). Reference Letters must not be older than three (3) years from the closing date of this bid.	Total – 25 points
Submission of minimum five (5) or more reference letters in a company letterhead which indicates successful implementation of a Learner Management System, references must be contactable on email and office line – 25 points	
Submission of 3-4 reference letters in a company letterhead which indicates successful implementation of a Learner Management System, references must be contactable on email and office line – 10 points	
Submission of less than three (3) reference letter in a company letterhead which indicates successful implementation of a Learner Management System, references must be contactable on email and office line – 0 points	
Methodology and Project Approach	Total – 45 points
Detailed project plan of deliverables (as per the terms of reference on page 4-12 of this document) including but not limited to the following: ○ Central user access and profile administration – 5 points ○ No Central user access and profile administration – 0 points ○ Skills Planning (WSP/ATR) and Mandatory Grants module – 5 points ○ No Skills Planning (WSP/ATR) and Mandatory Grants module – 0 points ○ Projects implementation/management module – 5 points ○ No Projects implementation/management module – 0 points ○ Learning programme management – 5 points ○ No Learning programme management – 0 points ○ Quality Assurance Module – 5 points ○ No Quality Assurance Module – 0 points ○ Certification management Module – 5 points	

○ No Certification management Module – 0 points ○ Training Provider learner management – 5 points ○ No Training Provider learner management – 0 points ○ Complete integrated reporting module – 5 points ○ No Complete integrated reporting module – 0 points ○ Compliance reporting (SETMIS and NLRD) – 5 points ○ No Compliance reporting (SETMIS and NLRD) – 0 points	
Project Team Composition Specific qualifications and experience in development and deployment of a Learner Management System (LMS). Provide Qualifications and detail in the CV.	Total – 20 points
Project Management Leader (minimum of NQF Level 7 Academic Qualification preferably in project management or related) 10 years and above of experience in project management specialising in new system development with at least NQF level 7 academic qualification – 5 points 5 – 9 years of experience in project management, with at least NQF level 7 academic qualification – 3 points Less than five (5) years of experience in project management and no NQF level 7 qualification – 0 points	
Systems Developer (Minimum of NQF Level 6 Academic Qualification in Information Technology or systems) At least 6 years of experience with a minimum NQF level 6 academic qualification – 5 points 3 – 5 years of experience, with a minimum NQF level 6 academic qualification – 3 1 – 2 years of experience, with a minimum NQF level 6 academic qualification – 1 point No years or less than one (1) year work of experience with no NQF level 6 academic qualification – 0 point	

Business/Systems Analyst (Minimum of NQF Level 7 Qualification) 7 years or more of experience Business/Systems Analyst with a minimum NQF Level 7 Information systems/Business Analysis/Administration or equivalent – 5 points. 4-6 years of experience Business/Systems Analyst with a minimum NQF Level 7 Information systems/Business Analysis/Administration or equivalent – 3 points. Less than 4 years of experience in Business/System analysis – 0 points	
System Development Support Team e.g., Dedicated Consultant or ICT Technicians (Minimum of NQF Level 5 Qualification excluding the above). Bidders must clearly indicate the average years of experience for the support team as part of their proposal (all CVs for the support team must be in the same format. A separate list of all team members with the average experience must be attached) All team members have an average of 5 and above years of experience in supporting system development projects, with at least NQF level 5 academic qualification- 5 points. All Team members have an average of 3 – 4 years of experience in supporting system development projects, with at least NQF level 5 academic qualification – 3 points. All Team members have an average of less than three (3) years of experience and no NQF 5 qualifications – 0 point	

9.2. Criterion 2 – Presentation

Bidders who score 70 points or more out of 90 points on functionality will be invited for presentations, presentations will be worth 10 points and bidders need to score a minimum of 5 points to be further evaluated on price and preference. Bidders who score less than 5 points will be disqualified.

Criterion	Total Points - 10
Demonstration of the proposed system and content of the presentation to address the identified needs of the CETA. Live demonstration of the proposed system – 5 points (Bidder should be able to present all modules of the system in line with the Terms of Reference and the functionality of each) Proposed system covers all modules in section 2 of the terms of reference- 5 points.	

- Proposed system does not cover all modules in section 2 – 0 points. System Compatibility – 5 points (Bidder should be able to present how they go about preparing statutory reporting requirements) - Bidder should be able to demonstrate System Compatibility with SETIMS, NLRD, QCTO AND other CETA systems as per the terms of reference: Yes – 5 points. No – 0 points	
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9.3. Criterion 3 – Price and Preference Evaluation

Bidders who score a minimum of 5 points or more on presentations will be further evaluated in terms of Price and Preference points (B-BBEE status level of contributor and specific goals allocated points). As per the table below, price is evaluated over 80 points and preference points over 20:

The specific goals allocated points	Criteria	Number of points allocated. (80/20 system)
B-BBEE contribution level score of the bidder	B-BBEE Level 1	10
	B-BBEE Level 2	8
	B-BBEE Level 3	6
	B-BBEE Level 4	4
	B-BBEE Level 5-6	2
	B-BBEE Level 7-8	1
	Non-compliant contributor	0
CETA transformation strategic position to empower designated groups in line with the	100% - 51% Women Ownership	5
	51% - 35% Women Ownership	3
	35% - 20% Women Ownership	1

Transformation Policy	100% - 51% Youth Ownership	5
	51% - 35% Youth Ownership	3
	35% - 20% Youth Ownership	1

Whilst CETA is issuing this invitation in good faith, it reserves the right to cancel or delay the selection process at any time without providing reasons therefore and reserves the right not to select any of the respondents to this invitation.

BID NO: 004-2023/2024 terms of reference were approved as follows:

Name.....Signature:.....Date:.....
BSC Chairperson

Name.....Signature:.....Date:.....
BAC Chairperson

10. ADMINISTRATIVE ENQUIRIES

ANY ADMINISTRATIVE ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Supply Chain Management Unit
Contact Person: Mathapelo Makomene
Tel: 011 265 5900/5945
E-mail: scmtenders@ceta.co.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

E-mail address: thabangn@ceta.co.za and cc scmtenders@ceta.co.za

Below is the address of office to be delivered at:

Province	Physical address
Gauteng (CETA Head Office)	CETA 52 on 14 th Road, Noordwyk Midrand 1687

Queries received will be responded to within two (2) working days of receiving the query. CETA will not respond to any enquiries received less than 240 hours (10 days) before the closing date and time of the bid.

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	004-2023/2024	CLOSING DATE:	06 MARCH 2023	CLOSING TIME:	11H00
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.			

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

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

DATE

SBD 4 - BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling 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 institution	State

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:

.....
.....

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.

- 2.3 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.
- 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

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.

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

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 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 80/20 preference point system.
 - b) The 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	80
SPECIFIC GOALS	20
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

- 2.1 "Acceptable bid or acceptable quotation" means a bid or quotation which in all respects complies with the specifications and Conditions of Tender as set out in the tender document.
- 2.2 "Black people" means Africans, Coloureds and Indians (refer to the B-BBEE Act for more details)
- 2.3 "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.4 "B-BBEE status level of contributor" means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.5 "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through and advertised competitive bidding processes or proposals;
- 2.6 "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.7 "Control" means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of

appropriate managerial authority and power in determining the policies and directing the operations of the business.

- 2.8. "Disability" means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being AND is in possession of a proof of disability.
- 2.9. "EME" means an Exempted Micro Enterprise in terms of the relevant code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 2.10. "Locality" means that the enterprise has either its head office or an operational office located in a township or rural area AND they are in possession of a municipal account, not older than three months for that location.
- 2.11. "military veteran" means has the meaning assigned to it in Section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011).
- 2.12. "Ownership" of an enterprise has the meaning defined in the Ownership Element of the B-BBEE Amendment Act of 2013 and the codes of good practice. This includes exercisable

voting rights in the enterprise; economic interest in the enterprise (including Employee Share Ownership Programmes, Broad-based Ownership Schemes).

2.13. **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

2.14. **"Proof of B-BBEE status level of contributor"** means:

- a) B-BBEE Status level certificate issued by an authorized body or person (such as a SANAS verification agent);
- b) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
- c) A CIPC B-BBEE certificate; or
- d) Any other requirement prescribed in terms of the B-BBEE Act.

2.15. **"Proof of Disability"** means:

- a) A completed SARS "Confirmation of Diagnosis of Disability" form endorsed by a duly registered medical practitioner which will remain valid for 10 years where the disability is of a permanent nature;
- b) A medical report and functional assessment report confirming the disability; or
- c) A SASSA disability grant.

2.16. **"Proof of Locality"** means:

- a) A municipal rates invoice in the name of the company submitting the quotation that has been issued within the last three months;
- b) An affidavit or equivalent from an authorised traditional leaders or local councillor in regions where municipal rates invoices are not available, showing the township name and ERF number or physical address;
- c) A signed lease with a property owner located in that municipality/township (CETA may request a recent statement from the landlord);
- d) A utilities rates statement (examples, Eskom or Telkom fixed line service) showing the physical address and name of the company or director's name

2.17. **"Proof of Military Veteran"** means a:

- a) Military veteran certificate as issued by the Department of Military Veterans in the name of the individual; or
- b) Military veteran certificate as issued by the Department of Military Veterans in the name of the company.

2.18. **"Proof of Ownership"** means:

- a) The % ownership indicated on the Central Supplier Database. The CSD integrates with the systems at Home Affairs (demographic information); Companies and Intellectual Property Commission (CIPC) (for company information such as shareholding); and other databases (such as the banks).

2.19. **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

2.20. **"Rand value"** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation.

2.21. **"Specific Goals"** means those goals as contemplated in section 2(1)(d) of the PPPFA which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability

- including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994
- 2.22. **"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
- 2.23. **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- 2.24. **"township"** has no formal definition but is commonly understood to refer to the underdeveloped, usually (but not only) urban, residential areas that during Apartheid were reserved for non-whites (Africans, Coloureds and Indians) who lived near or worked in areas that were designated 'white only' (under the ...
- 2.25. **"Youth"** means persons between the ages of 14 and 35 as defined in the National Youth Commission Act of 1996.

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
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$

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

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

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.

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:	
	
	
	

SBD 7.2 CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder's Disclosure form;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP



WITNESSES

1

2

DATE:

GENERAL CONDITIONS OF CONTRACT

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

To ensure that clients be familiar regarding 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 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 anything 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 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 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 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 ancillaries 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 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 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' 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.

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall

Transportation

be specified in the SCC.

13. Incidental Services

13.1 The supplier may be required to provide any or all 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 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 the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

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

15. Warranty

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

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted

at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract Amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2.
 - (b) if the Supplier fails to perform any other obligation(s) under

- (c) the contract; or
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.

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| <p>24. Anti-dumping and countervailing duties and rights</p> | <p>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</p> |
| <p>25. Force Majeure</p> | <p>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.</p> <p>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.</p> |
| <p>26. Termination for insolvency</p> | <p>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.</p> |
| <p>27. Settlement of Disputes</p> | <p>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.</p> <p>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</p> |

supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

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

28. Limitation of Liability

(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.

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

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties,

Duties

license fees, and other such levies imposed outside the purchaser's country.

- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33.National Industrial Participation (NIP) Programme

- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34.Prohibition of Restrictive Practices

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

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Signature

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Date

.....
Position

.....
Name of bidder

