

**BID ADVERTISEMENT FORM**

APPOINTMENT OF SERVICE PROVIDER FOR PROVISION OF PHYSICAL SECURITY SERVICES FOR THE DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT IN ALL DEPARTMENTAL FACILITIES IN THE NORTH WEST PROVINCE FOR PERIOD OF THREE (3) YEARS													Bid description																															
CS&TM 09/21/22													Bid number																															
Community Safety & Transport Management													Name of institution																															
The North West Provincial Department of Community Safety – Safety House, 31-34 Molopo Road, Mahikeng North West Province													The place where goods, works or services are required																															
Date    0   7   0   3   2   0   2   2   2   Time    11H00													Closing date and time																															
Postal address			Private Bag X19 Mmabatho 2735			Physical address			Safety House 31-34 Molopo Road, Mahikeng (Main Entrance) Security Check Point.			Tel			LLMoithamme@nwpg.gov.za ( bid document )			email			Mr. O Neito/ Ms. Moithamme 018 200 8171/ 8416			Department of Community Safety & Transport Management. Payment: Account name FNB , Account number : 62811733246 , Type of account : Cheque, Brach code :210244 and on Departmental website			Where bids can be collected			Where bids should be delivered			Category (refer to annexure A)			Government			Sector			Region		
Non-refundable deposit of R200.00 is payable in cash for each document			The North West Provincial Department of Community Safety – Tirelo Building, Ground floor Acquisition office no. 35			Safety House 31-34 Molopo Road, Mahikeng (Main Entrance) Security Check Point.			Government			Functional			North West province			Date			No briefing session			Time			No briefing session			Venue			No briefing session											



Enquiries: IM Marumo  
 Ground Floor, Tirelo Building  
 Albert Lutuli Drive  
 P/Bag X 19 Mmabatho 2735  
 Tel: +27 (18) 200 8363

**SUPPLY CHAIN MANAGEMENT**

**INVITATION TO BID**

**DESCRIPTION:**

APPOINTMENT OF SERVICE PROVIDER FOR PROVISION OF PHYSICAL SECURITY SERVICES FOR THE DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT IN ALL DEPARTMENTAL FACILITIES IN THE NORTH WEST PROVINCE FOR PERIOD OF THREE (3) YEARS

**DATE ISSUED:**

11 February 2022

**CLOSING DATE:**

07 MARCH 2022

**TENDER BOX**

THE NORTH WEST PROVINCIAL DEPARTMENT OF COMMUNITY SAFETY - SAFETY HOUSE, 31-34 MOLOPO ROAD, (MAIN ENTRANCE)

**SECURITY CHECK POINT**

**MAHIKENG**

Bidder VAT registered?	Yes: <input type="checkbox"/>	Name of bidder	Total bid price including VAT:
	No: <input type="checkbox"/>		

DATE 14/02/2022

S. MADUNA  
 DIRECTOR: SCM



"Together We Move North West Province Forward"

*[Handwritten signatures]*

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Appointment of service provider for provisioning of the physical security services to the Department of Community Safety and Transport Management in the North West Province for a period of three (3) years.

## 2.2. Statement of Work

Province. It is on the basis of the above background that the Department re-advise the bid physical security services within the North West province. Security and Facilities Management is mandated to ensure protection of state assets that includes physical assets, information, property, funds etc which in order to curb loss, theft or damage of the above electronic security systems and physical services of security officers must be procured. Physical Security Industry Regulation Act, 2001 (Act No. 56 of 2001) preamble the adequate protection of fundamental rights to life and security of the person as well as the right not to be deprived of property, is fundamental to the well-being and to the social and economic development of every person. The National Key Points Act, 1980 (Act No. 102 of 1980) of the Parliament of South Africa provides for the declaration and protection of sites of national strategic importance against sabotage.

## 2.1. Problem statement

## 2. SCOPE OF WORK

Appointment of service provider for provisioning of the physical security services to the Department of Community Safety and Transport Management in the North West Province for a period of three (3) years.

## 1. INTRODUCTION

TRANSPORT MANAGEMENT IN ALL DEPARTMENTAL FACILITIES IN THE NORTH WEST PROVINCE FOR PERIOD OF THREE (3) YEARS  
 APPOINTMENT OF SERVICE PROVIDER FOR PROVISION OF PHYSICAL SECURITY SERVICES FOR THE DEPARTMENT OF COMMUNITY SAFETY AND  
 apply equally to the extended deadline.

The bidders accept that, if the Department extends the deadline (the closing date) for bid submissions for any reason, the requirements of this bid otherwise demand that any action be taken on the date established.

All times in this bid are South African Standard Time. Any time or date in this bid is subject to change at the Department's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of the department to take any action, or create any right in any way for any bidder to

**\*Dates subject to change.**

Activity	Date due
Advertisement of the bid in the: - Government Tender Bulletin; and - National Treasury Tender Portal	11 FEBRUARY 2022
Distribution of bid documents on the departmental website	11 FEBRUARY 2022
Compulsory briefing session	None
Bid closing date	07 MARCH 2022
Notice to bidder(s) **	

The validity period of this bid is 90 days after closing of the bid. The project timeframes of this bid are set out below:

**5. TIMELINE OF THE BID PROCESS**

The successful bidder will be appointed for a period of three (3) years

**4. DURATION OF THE CONTRACT**

There will be no briefing sessions due to COVID-19 Instruction note number 05 of 2020/ 2021 paragraph 6.1.3 "Briefing sessions should not be made compulsory or mandatory, unless otherwise approved by the Accounting Officer.

**3. BRIEFING SESSION**

**6. CENTRAL SUPPLIER DATABASE [CSD]**

- 6.1 Bidders must be registered as a service provider on the Central Supplier Database [CSD]. If you are not registered proceed to complete the registration of your company prior to submitting your bid. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database are updated and valid.
- 6.2 Bidders are also required to submit their CSD Registration "Summary Report" or Central Supplier Database MASTER REGISTRATION NUMBER pi (MAAA Number) to verify the bidder's compliance status
- 6.3 Bidders must ensure that their tax information on Central Supplier Database [CSD] is in good standing and submit a Valid Tax Clearance Certificate or valid tax compliance status pin.
- 6.4 Bidders should further note that the Central Supplier Database (CSD) will be utilized to confirm compliance to tax and other related matters. It is therefore the bidder's responsibility to ensure compliance in all respects.

**7. INSTRUCTION TO BIDDERS**

- 7.1 Bids must be properly packaged, clearly marked as *CSTM 09/21/22* and deposited in the tender box on or before the closing date and time at the Department of Community Safety and Transport Management, situated at: -  
The North West Provincial Department of Community Safety House, 31-34 Molopo Road, Mahikeng (Main Entrance) Security Check Point.  
NB: ENSURE ENVELOPE AND BID DOCUMENTS ARE MARKED WITH BID NUMBER AND CATEGORY (IES) BIDDING FOR
- 7.2 Bid documents will only be considered if received by the Department before the closing date *07/03/2022 at 11h00*
- 7.3 Late bids will not be accepted.



- Bidders are encouraged to employ local people.
- All security officers employed by the bidder must be registered with PSIRA.
- Monthly compliance inspections will be conducted by the Department in line with SLA.
- Bidder must ensure security officers are issued with paylips on monthly basis and will be verified randomly by Department.
- The recommended bidders will be subjected to periodical security screening before and after the award.
- Contracted service providers are obliged to pay security officers as per valid PSIRA Illustrative Contract Pricing Guidelines for the duration of the contract.
- Adherence to the Service Level Agreement (SLA).
- The Department is obliged to pay the contracted service provider latest PSIRA rates/ Regulation Gazette/ National Bargaining Council for the Private Security Sector annual increment in line with the SLA.
- The contracted service providers are obliged to submit all payments documents within first seven (7) days of the beginning of the month.

### Special Conditions of Contract (SCC)

## SECTION 1

Potential bidder(s) must reduce all telephonic enquiries to writing and send them to the above email addresses.

**SCM Official: Mr. M. Mojaki – 018 200 8084 [lmojaki@nwpg.gov.za](mailto:lmojaki@nwpg.gov.za)**  
**Specification: Mr O. Neito - 018 200 8171 or [oneito@nwpg.gov.za](mailto:oneito@nwpg.gov.za)**

**Contact Persons:**  
please contact the following:

For more detailed information regarding the bid procedure and specifications

## 8. CONTACT DETAILS

7.4. The Department of Community Safety and Transport Management, reserves the right to award the bid in whole or in part and does not bind itself to accept the lowest or any bid.

- General Conditions of Contract (GCC)

### SECTION 3

#### FAILURE TO COMPLY WITH THE ABOVE WILL LEAD TO IMMEDIATE DISQUALIFICATION OF THE BID.

NB THE ABOVE DOCUMENTS MUST BE COMPLETED AND SIGNED

- Certificate of Independent Bid Determination (SBD 9)
- Declaration of Bidder's past SCM Practices (SBD 8)
- Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2017 (SBD 6.1)
- Declaration of Interest (SBD 4)
- Price Schedule (SBD 3.2)
- Invitation to Bid (SBD 1)

### SECTION 2

- The Department is obliged to pay the service provider within thirty days of receiving all correct required documentation.
- Default by either party (i.e. the contracted supplier or any government department) in terms of delivery, quality of products and payments must be reported within Fourteen (14) working days to the Provincial Supply Chain Management Office.
- All parties are obliged to adhere to these Special Conditions of bids as stipulated in the attached bid forms and General Conditions of Contract.
- Recommended bidders will be subjected to screening (Originally certified copies of required documents will be requested).
- Confirmation of public liability insurance to the minimum of one million Rand (R1 000 000) must be submitted within 30 days after the awarding of the bid.
- Bidder must ensure establishment of an office with fully functional control room at least 200km radius in the category bidding within thirty (30) days after the award.



**9. BID SUBMISSION CHECKLIST**

- All the relevant forms attached to this bid documents must be completed and signed in ink where applicable by a duly authorised official.
- Use of Tippex and pencil in the bid document are not allowed.
- Where cancellation has been made, bidders should endorse with a signatures.

Bidders are required to complete the following checklist and to submit it with their bids: Please note that all the information listed below should be included in the bid.

<b>COMPLIANT? (TICK IN APPROPRIATE BOX)</b>		
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<b>NO</b>	<b>REQUIREMENT</b>	<b>YES</b>	<b>NO</b>
1	<b>SECTION 1</b>		
1.1	Standard Bidding Documents:		
SBD 1	Invitation		
SBD 3.2	Pricing Schedule – Non-Firm Prices		
SBD 4	Declaration of Interest		
SBD 6.1	Preference Points Claim Form in Terms of The Preferential Procurement Regulations 2017		
SBD 8	Bidders Past Supply Chain Practices		
SBD 9	Certificate of Independent Bid Determination		
2	<b>SECTION 2</b>		
2.1	Special Conditions of Contract (SCC)		
3.	<b>SECTION 3</b>		
3.1	General Conditions of Contract (GCC)		
4.	<b>ATTACHMENTS</b>		
4.1	CSD Registration number (Summary Report) or Central Supplier Database Master Registration Number (MAAA Number) to verify the bidder's compliance status		
4.2	Valid Original certified copy of PSIRA		
4.3	Company director (s) / shareholder's valid original certified minimum Grade B or A PSIRA certificate.		

NGAKA MODIRI MOLEMA DISTRICT					
CATEGORY A					
No.	FACILITY	DAY SHIFT	NIGHT SHIFT	QUANTITY	PRICE
1	Category A 1 Grade B Supervisor			1	
2	Tirelo building	12 Grade C & 2	6 Grade C & 2	22	
3	Safety House	3 Grade C & 1	2 Grade C & 1	7	
Total number of security officers				30	
CATEGORY A TOTAL MONTHLY PRICE					

9.1.1. SITE SPECIFICATIONS

9.1. Main deliverables

4.4	Compensation for Occupational injuries and Diseases (COIDA) letter of Good Standing	
4.5	Uf Certificate of Compliance	
4.6	Original/ original certified BBBEE Certificate / sworn affidavit issued by commission of Oath	
4.7	Original certified copy Private Security Sector Provident Fund Certificate or Letter of compliance.	
4.8	Provident Fund Letter	

NGAKA MODIRI MOLEMA DISTRICT					
CATEGORY C					
No.	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE
1	Category C 1 Grade B Supervisor			1	
2	Itsoseng Registering Authority	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4	
3	Lehurutshe Traffic	2 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	6	
4	Zeerust Weighbridge	1 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C Armed	5	
5	Lichtenburg Weighbridge	1 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	5	
6	Lichtenburg Traffic	2 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	7	
				28	
Total number of security officers					
CATEGORY TOTAL MONTHLY PRICE					

NGAKA MODIRI MOLEMA DISTRICT					
CATEGORY B					
No.	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE
1	Category B 1 Grade B Supervisor			1	
2	Mahikeng Operator Licensing	3 Grade C & 2 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	7	
3	Molopo Licensing and RA	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4	
4	Montshioa traffic	1 Grade C & 2 Grade C & 1 Grade C armed	2 Grade C & 2 Grade C armed	6	
5	Ngaka Modiri Molema Government Garage	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4	
				22	
Total number of security officers					
CATEGORY TOTAL MONTHLY PRICE					

BOJANALA DISTRICT					
CATEGORY E					
NO	FACILITY	DAY SHIF	NIGHT SHIF	QUANTITY	PRICE
1	Category E 1 Grade B Supervisor			1	
2	Madikwe Traffic	2 Grade C & 2 Grade C armed	2 Grade C & 2 Grade C armed	8	
3	Koster Traffic	1 Grade C & 1 Grade C Armed	1 Grade C & 1 Grade C Armed	5	
4	Koster Weighbridge	1 Grade C & 1 Grade C Armed	1 Grade C & 1 Grade C Armed	4	
Total number of security officers				18	
CATEGORY TOTAL MONTHLY PRICE					

BOJANALA DISTRICT					
CATEGORY D					
NO	FACILITY	DAY SHIF	NIGHT SHIF	QUANTITY	PRICE
1	Category D 1 Grade B Supervisor			1	
2	Moretele Traffic	2 Grade C & 1 Grade C Armed	2 Grade C & 1 Grade C Armed	6	
3	Brits Traffic	5 Grade C & 2 Grade C Armed	5 Grade C & 2 Grade C Armed	11	
4	Mogwase Licensing	2 Grade C & 2 Grade C armed	2 Grade C & 2 Grade C armed	8	
Total number of security officers				26	
CATEGORY TOTAL MONTHLY PRICE					

DR RUTH SEGOMOTSI MOMPATI DISTRICT						
NO	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE	
1	Category G 1 Grade B Supervisor			1		
2	Vryburg Traffic	4 Grade C & 1 Grade C Armed	3 Grade C & 1 Grade C Armed	9		
3	Vryburg Operator Licensing	2 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	6		
4	Vryburg Government Garage	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4		
5	Ganyesa Traffic	2 Grade C & 1 Grade C armed	2 Grade C & 1 Grade C armed	6		
Total number of security officers					26	
CATEGORY TOTAL MONTHLY PRICE						

BOJANALA DISTRICT						
NO	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE	
1	Category F 1 Grade B Supervisor			1		
2	Phokeng Registering Authority	1 Grade C & 1 Grade C armed	0	2		
3	Rustenburg Traffic	4 Grade & 2 Grade C armed	3 Grade C & 2 Grade C armed	11		
4	Rustenburg Government Garage	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4		
5	Tlhabane Operator Licensing	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4		
Total number of security officers					22	
CATEGORY TOTAL MONTHLY PRICE						

DR KENNETH KAUNDA DISTRICT CATEGORY I						
NO	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE	
1	Category I 1 Grade B Supervisor			1		
2	Potchefstroom Traffic	1 Grade C & 1 Grade & 2 Grade C	C armed & 2 Grade C armed	6		
3	Potchefstroom Government Garage	1 Grade C & 1 Grade & 1 Grade C	C armed & 1 Grade C armed	4		
4	Potchefstroom Weighbridge	2 Grade C & 2 Grade & 2 Grade C	C Armed & 2 Grade C Armed	10		
Total number of security officers					21	
CATEGORY TOTAL MONTHLY PRICE						

DR RUTH SEGOMOTSI MOMPATI DISTRICT CATEGORY H						
NO	FACILITY	DAY SHIFT	NIGHT SHIFT	QUANTITY	PRICE	
1	Category H 1 Grade B Supervisor			1		
2	Taung Registering Authority	2 Grade C & 1 Grade & 1 Grade C	C armed & 1 Grade C armed	5		
3	Taung Traffic	1 Grade C & 1 Grade & 1 Grade C	C armed & 1 Grade C armed	4		
4	Christiana Traffic	1 Grade C & 1 Grade & 1 Grade C	C Armed & 1 Grade C Armed	4		
5	Kgomotso Registering Authority	1 Grade C & 1 Grade & 1 Grade C	C armed & 1 Grade C armed	4		
Total number of security officers					18	
CATEGORY TOTAL MONTHLY PRICE						

**9.2 KEY RESPONSIBILITIES**

- In addition to the above the appointed service provider shall ensure that:
- All state assets are protected (property, vehicles, personnel, physical assets, revenue).
  - Inspections of vehicles and verification of trip authorization for state owned vehicles.
  - Conduct random searches of vehicles, visitors and employees entering or exiting the premises.
  - Hourly patrol – inspection in and around the facility and parameters. ( use of clocking system)
  - Record of occurrences/ incidents and report to the Head of the unit immediately and to control room is done.
  - Recording of all incoming and outgoing visitors and employees is done.
  - Supervision of all the above activities is done.
  - Monthly reports to Security management outlining all the deficiencies and the mitigating factors thereof are submitted.

DR KENNETH KAUNDA DISTRICT CATEGORY J					
NO	FACILITY	DAY SHIF	NIGHT SHIFT	QUANTITY	PRICE
1	Category J 1 Grade B Supervisor			1	
2	Ventersdorp Traffic	1 Grade C & 1 Grade C armed	1 Grade C & 1 Grade C armed	4	
3	Ventersdorp Weighbridge	1 Grade C & 1 Grade C Armed	2 Grade C & 1 Grade C Armed	5	
4	Klerksdorp Traffic Office	1 Grade C & 1 Grade C Armed	1 Grade C & 2 Grade C Armed	5	
5	Wolmaranstad Traffic	2 Grade C & 2 Grade C armed	2 Grade C & 2 Grade C armed	8	
Total number of security officers				23	
CATEGORY TOTAL MONTHLY PRICE					

- An effective communication network is established between security officers on site and their control room (24/7).
- Security Officers are to be visited at least twice per shift by the contractor's supervisory personnel to ensure that proper security is maintained. Such visits and appropriate remarks must be noted in the occurrence book.
- The contractor provides a 24 hours' service including weekend and public holidays. Tendered rates per month per security officer shall make allowance for overtime and other allowance as per sector determination.
- Each Security Officer is issued with a detailed site specification/ standard operation procedure, in accordance with the site instruction manual, indicating his exact duties which must include the following:
  - To secure the entire site against theft and vandalism. This includes vehicles and equipment within the site perimeter.
  - To implement an effective access control system for both the client and visitors entering and leaving the premises
  - To do routine patrols
  - To establish good conduct and cordial relationship with visitors and member of the SAPS.
  - To conduct random searches to incoming and outgoing vehicles, officials and visitors entering and leaving the premises.
  - Security officer must wear same and standard uniform.
  - Security officers must carry their security equipment (Baton/ firearm, hand cuffs, pepper spray and whistle) at all times.
- The department will hold the security company responsible (within reason) for any loss or damage to property on the site due to theft or vandalism. Such loss or damage shall be recovered by the Department from the security company.





# 11. SECTION A



**10. SPECIAL REQUIREMENTS AND CONDITIONS OF BID**

**10.1. PRE-QUALIFICATION CRITERIA**

N/A

**10.2. CONTRACT PERIOD**

The offer shall be for a period of three (03) years.

**10.3. SERVICE PROVIDER**

The provision of Physical security should be in line with Service Level Agreement.

**10.4. DELIVERY**

Services should be provided twenty-four (24) hours and seven (7) days a week including Public holidays and Sundays.

**10.5. RISK**

- 10.5.1. State assets may be stolen or damaged.
- 10.5.2. Buildings may be vandalised or burglaried.
- 10.5.3. Personnel may be robbed and/or injured.

**10.6. PAYMENTS**

10.6.1. **Contracted service providers** will submit monthly invoice and time sheets for the month which services have been provided for within 7 days, time sheets of all security officers who were on duty for that month as per Service Level Agreement (SLA).

10.6.2 Payments will be effected within a maximum of 30 days upon receipt of the verification and monitoring report.

## 10.7. BREACH OF CONTRACT

10.7.1 The Department, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Service provider, may terminate this contract if the Service Provider fails to comply with contract agreement;

10.7.2 If the Service provider fails to perform within the period(s) specified in the contract, or within any extension thereof granted by the Department pursuant to GCC Clause 21.2;

10.7.3 If the Service provider fails to perform any other obligation(s) under the contract; or

10.7.4 If the Service provider, in the judgment of the Department, has engaged in corrupt or fraudulent practices and mal-administration in competing for or in executing the contract. In the event the Department terminates the contract in whole or in part, the department may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the Service provider shall be liable to the Department for any excess costs for such similar services. However, the Service provider shall continue performance of the contract to the extent not terminated;

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

10.7.6

10.7.7. If a Department intends imposing a restriction on a Service provider or any person associated with the Service provider, the Service provider 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 Service provider fail to respond within the stipulated fourteen (14) days the Department may regard the intended penalty as not objected against and may impose it on the Service Provider;

10.7.8. 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 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;

10.7.9. If a restriction is imposed, the Department 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.



**10.8. INSPECTIONS**

- 10.8.1. Designated government officials and the end-user will conduct physical inspection before the award of contract at the service provider's main site as per attached proof of office.
- 10.8.2. End-user together with Supply Chain Management (SCM) Official will conduct random monthly unannounced or announced inspections in line with the Service Level Agreement (SLA).

10.7.10. Breaching the contract in terms of the specification, purchase order, the delivery period shall result in the cancellation of the contract. The designated service provider shall bear any difference in price of the said supplies and these amounts plus any other damages which may be suffered by the State shall be paid by the designated service provider to the State immediately on demand.

11.7.9.10. 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.

11.1. The Department will enter into a Service Level Agreement with contracted service providers. The SLA will be signed by the Accounting Officer and the successful bidder.

### 11. SERVICE LEVEL AGREEMENT

- 10.10.1. The Department is obliged to ensure that the contracted service providers price the department in terms of latest and valid PSIRA pricing structure, latest and valid National Bargaining Council for the Private Security Sector and/or Regulation Gazette No. 11045.
- 10.10.2. Contracted service providers are obliged to pay security officers as per Regulation Gazette No. 11045 and/ or latest PSIRA pricing structure including annual increment for the duration of the contract.
- 10.10.3. The contracted service providers are obliged to provide services as per the Service Level Agreement (SLA).
- 10.10.4. The Department is obliged to pay the contracted service provider PSIRA annual increment.
- 10.10.5. All parties are obliged to adhere to these Special Conditions of bids as stipulated in the attached bid forms and General Conditions of Contract.

### 10.10. OBLIGATIONS

- The contracted service provider will submit monthly report to the Department stating all the progress and deficiencies per site.
- The service provider shall do the overall reporting to the project manager of the Department for the services rendered.
- The service provider shall provide services strictly in accordance with the specification as well as other relevant legislative provisions.

### 10.9. REPORTING

**12. EVALUATION CRITERIA**

**12.1. Stage 1: Documents packaging, labeling and separation**

12.1.1. Bid document cover page must be clearly marked as follows:

(District Name and Category name)

- Ngaka Modiri Molema District Category A

- Ngaka Modiri Molema District Category B

- Ngaka Modiri Molema District Category C

- Bojanala District Molema Category D

- Bojanala District Molema Category E

- Bojanala District Molema Category F

- Dr Ruth Segomotsi Mompoti District Category D

- Dr Ruth Segomotsi Mompoti District Category H

- Dr Kenneth Kaunda District Category I

- Dr Kenneth Kaunda District Category J

**NB: ENSURE ENVELOPE AND BID DOCUMENT COVER PAGE ARE MARKED WITH BID NUMBER AND CATEGORY (IES) BIDDING FOR**

**12.2. Stage 2: Legal, mandatory administrative and technical requirements**

- Company director (s) / shareholder's valid original certified minimum Grade B or A PSIRA certificate.
- Company's valid original certified PSIRA certificate.
- Originally certified copy of company's valid PSIRA letter of good standing.
- Company's CSD report or Central Supplier Database Master Registration Number (MAAA Number) to verify the bidder's compliance status.
- Original certified copy of valid Compensation for Occupational Injuries and Diseases (COIDA) letter of Good Standing.
- Original certified valid copy of UIF certificate of compliance.



- Original certified valid copy Private Security Sector Provident Fund Certificate or Letter of compliance.

**NB:** Bidders must comply with requirements of 2021 PSIRA Illustrative Pricing Guideline (with effect from 2 March 2021) and Regulation Gazette No. 11045 dated 20 February 2020. Should a bidder, bid below the total cost per month and firearm allowance as per 2021 PSIRA Illustrative Pricing Guideline and Regulation Gazette No. 11045 dated 20 February 2020 the bidder will be regarded as non-compliant and eliminated.

**FAILURE TO COMPLY WITH THE ABOVE WILL LEAD TO IMMEDIATE DISQUALIFICATION OF THE BID.**

**12.3. Stage 3: Functionality**

Assessment of functionality with a minimum overall threshold of 70% that must be attained by the bidder before the bid can be taken to the next stage of the evaluation.

NO	ELEMENT	WEIGHT	SCORE
1.	Previous experience on provision of physical security in organs of state (Reference letter (s) in clients letterhead with contact details, duration and monthly payment amount)	50	
	a. Seven (7) years and above = 50 b. Between 3 – 6 years = 35 c. Between 1 – 3 years = 20 d. Less than 1 year = 05		
2.	Financial Strength Bank Rating – Bidders must provide bank rating certificate from their banks	50	
	a. Rating A = 50 b. Rating B = 35 c. Rating C = 20 d. Rating D & lower = 05		
	<b>TOTAL</b>	<b>100</b>	



12.4. Stage 4: SITE INSPECTION

Assessment of site inspection with a minimum overall threshold of 70% that must be attained by the bidder before the bid can be taken to the next stage of the evaluation.

NO	ITEM	WEIGHT	SCORE	COMMENT
----	------	--------	-------	---------

**OFFICE LOCATION**

1	main office (Verification as per attached proof of office address)	5		
2	Office signage from the street and outside the building	5		
3	Office layout (The office must have a control room built with concrete slab and must be stand alone, separate from the main office and other offices)	5		
4	Control room (Lockable, have chair and table/ desk and access controlled)	5		
<b>SCORE A</b>		<b>20</b>		

NB: ANYTHING NOT FOUND OR NOT IN A REQUIRED STATE AS ABOVE BIDDER WILL BE SCORED IS ZERO (0)

**OPERATION/ FUNCTIONALITY AND SECURITY AIDS**

S/NO	ITEM	WEIGHT	COMMENT	SCORE
1	Controlled access into the office	8		
2	Controlled access into the control room	8		
3	Firearm safe (Mounted and in safe environment where access is controlled	8		
4	Eight (8) firearms with Licenses and firearm registers or permits	8		
5	Company corporate security uniform at least ten (10) of each (Trousers, shirts, blazers/ pull over, shoes, belt, rain coat, winter jacket)	8		

12.5. Stage 5

12.5.1. The bid price per security officer must comply with the requirements of latest PSIRA illustrative Contract Pricing Guideline and Regulation Gazette No. 11045 dated 20 February 2020, and must be inclusive of total cost per month, Firearm allowance, profit and VAT.

**BIDDER WILL BE SCORED IS ZERO (0)**  
**NB: ANY NUMBER OF ITEMS BELOW THE REQUIRED NUMBER THE**

TOTAL SCORE		100
SCORE B		80
6	Company registers at least eight (8) of each (OB, Visitor, Vehicles, Laptops, Access permits, After hours, personnel, State vehicles)	8
7	Security aids at least ten (10) of each (Batons, hand cuffs, pepper sprays, metal detectors)	8
8	At least three (3) company vehicles branded on the sides and on the bonnet	8
9	One (1) X Base radio/ main radio with radius and frequency at least 100 kilometers	8
10	Minimum of six (6) X two-way radios/ PTT any form of control to sites communication	8

Where  
 Ps = Points scored for comparative price of bid under consideration  
 Pt = Comparative price of bid under consideration  
 Pmin = Comparative price of lowest acceptable bid

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

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

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State tender will be used to determine the applicable preference point on the 80/20 preference point system and the lowest acceptable TCO suit a particular bidder

NB: This is not an automatic disqualification; it can only be used to assist in terms of unforeseen circumstances during the bid process before award. The conditions will not be mentioned prior because the outcome cannot be predetermined before the bid is finalized. Bidders are therefore informed of these criteria as no conditions contained in the terms of reference or specification can be changed during evaluation to

12.6. Stage 6: This Bid will be subjected to additional objective criteria.

Preference Point System		Description	Points Allocated
1.	Price		80
2.	Broad-Base Black Economic Empowerment (B-BBEE)		20
TOTAL POINTS			100

- 12.7. Bidders are required to complete the preference claim form (SBD 6.1) in order to claim the B-BBEE status level points.
- 12.8. Evaluation of trust, consortium, joint venture or partnership
- 12.8.1. A trust / consortium / joint venture / partnership must submit a signed agreement that clearly stipulates the % of ownership and address/place of business.
- 12.8.2. The agreement must clearly state participation of the several constituent person and/or companies and/or firms and the period of duration of the agreement.
- 12.8.3. A trust / consortium / joint venture / partnership must submit a certificate signed by or on behalf of each participating person and/or companies and/or firms authorizing the person who signed the bid to do so.

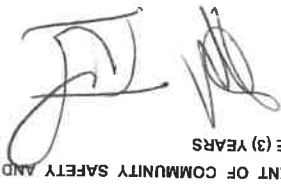
B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

A maximum of 10 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

- 12.7.4. A trust / consortium / joint venture / partnership must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid. Zero (0) points will be awarded if separate B-BBEE certificates are submitted.
- 12.7.5. In bids where Consortia/Joint Ventures/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate;
- 12.7.6. Where a trust / consortium / joint venture / partnership are involved, each party must be registered on the CSD and their tax compliance status will be verified through the CSD or through SARS.

### 13. PRICING

- 13.1. Bidders must complete pricing schedule form SBD 1 (Pricing schedule firm prices).
- 13.2. Bidders must complete pricing schedule form SBD 3.1 (Pricing schedule firm prices).
- 13.3. Bidders must complete price column of site specification categories as per clause 9.1.1 above. Any additional price page will be ignored.
- 13.4. Bid prices should be as per latest PSIRA Illustrative Contract Pricing Guideline and Regulation Gazette No. 11045 dated 20 February 2020.
- 13.5. During the award if current Illustrative Contract Pricing Guideline has become invalid/ outdated and replaced by the new one, the adjusted price shall be considered and factored in the bid as per Regulation Gazette No. 11045 dated 20 February 2020 and the new one.
- 13.6. Original/ original certified BBBEE Certificate/ sworn affidavit issued by commissioner of oath must be attached. Failure to attach will result in bidders losing points.



**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT**

BID NUMBER: | CLOSING DATE: | CLOSING TIME:

DESCRIPTION:

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET 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	
TAX COMPLIANCE STATUS	TCS PIN:
B-BBEE STATUS LEVEL VERIFICATION	OR
CSD No:	
B-BBEE STATUS LEVEL SWORN AFFIDAVIT	
<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> No	<input type="checkbox"/> Yes

**ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE**

**IA B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMES & QSES) MUST BE SUBMITTED IN**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
[IF YES ENCLOSE PROOF]	[IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED	TOTAL BID PRICE
	R
SIGNATURE OF BIDDER	DATE
CAPACITY UNDER WHICH THIS BID IS SIGNED	

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:**

**TECHNICAL INFORMATION MAY BE DIRECTED TO:**

DEPARTMENT	CONTACT PERSON
TELEPHONE NUMBER	TELEPHONE NUMBER
TELEPHONE NUMBER	FACSIMILE NUMBER
FACSIMILE NUMBER	E-MAIL ADDRESS
E-MAIL ADDRESS	

**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 ONLINE
  - 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILEING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B.3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO
  - 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  
 YES  NO
  - 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO
  - 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO
  - 3.5. 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 ABOVE.

**B: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

**PRICING SCHEDULE – NON-FIRM PRICES  
(PURCHASES)**

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

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

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

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

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

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

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

\*Delete if not applicable





**SBD 3.2**

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

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

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

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

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

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, 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, shareholder, 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.

<sup>1</sup>"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.

<sup>2</sup>"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 YES / NO

presently employed by the state?

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:

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

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

2.8.1 If so, furnish particulars:

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

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

If so, furnish particulars.

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

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

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members  
of the company have any interest in any other related companies  
whether or not they are bidding for this contract? YES/NO

If so, furnish particulars:

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

**DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 and 2.11.1 ABOVE IS CORRECT. I ACCEPT THAT THE STATEMENT ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL

CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

.....

Date

.....

Position

.....

Name of bidder

.....

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

**SBD 6.1**

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

1.3 Points for this bid shall be awarded for:

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

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

PRICE	POINTS	B-BBEE STATUS LEVEL OF CONTRIBUTOR	Total points for Price and B-BBEE must not exceed
90	80	20	100
10		10	100

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

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

**2. DEFINITIONS**

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

(b) "B-BBEE status level of contributor" means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised

competitive bidding processes or proposals;

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

### POINTS AWARDED FOR PRICE

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

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

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

Where

- $P_s$  = Points scored for price of bid under consideration  
 $P_t$  = Price of bid under consideration  
 $P_{\min}$  = Price of lowest acceptable bid

### 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.

**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 sub-contracted.....%

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 least 51% owned by:	EME	QSE
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium  
One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES



8.6 COMPANY CLASSIFICATION

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

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BE 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-BEE 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.

<p style="text-align: right;">DATE: .....</p> <p style="text-align: right;">ADDRESS .....</p> <p style="text-align: right;">SIGNATURE(S) OF BIDDERS(S) .....</p>	<p style="text-align: right;">WITNESSES</p> <p style="text-align: right;">1. ....</p> <p style="text-align: right;">2. ....</p>
--	---

**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 ( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	<input type="checkbox"/>	<input type="checkbox"/>
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 ( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) by clicking on its link at the bottom of the home page.	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input type="checkbox"/>	<input type="checkbox"/>
4.4.1	If so, furnish particulars:		

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 bids<sup>1</sup> 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).<sup>2</sup> Collusive bidding is a *per 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:
- <sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.
- <sup>2</sup> 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 consortium<sup>3</sup> 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.
- <sup>3</sup> 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	.....
Position	.....
Date	.....
Name of Bidder	.....

**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

- 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

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

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.

3.1 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.tcasur.gov.za](http://www.tcasur.gov.za)

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

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.

6.1 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.

2. Application

3. General

4. Standards

5. Use of contract documents and information; inspection.

6. Patent rights

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. 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.

8.2 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.

8.3 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 delayed by the purchaser.

8.4 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 delayed by the supplier.

8.5 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 or 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.

9.1 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.

10.1 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.

11.1 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.

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

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;

### 13. Incidental services

### 12. Transportation

### 11. Insurance

### 10. Delivery and documents

### 9. Packing

- (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.

14.1 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.

14. Spare parts

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. Warranty

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.

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

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

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

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

17.1 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.

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

19.1 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.

20.1 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.

21.1 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

## 16. Payment

### 17. Prices

### 18. Contract amendments

### 19. Assignment

### 20. Subcontracts

### 21. Delays in the supplier's performance



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 cancelling 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.

22.1 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.

## 22. Penalties

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

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.

26.1 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.

27.1 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.

28.1 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

## 25. Force Majeure

## 26. Termination for insolvency

## 27. Settlement of Disputes

## 28. Limitation of Liability

may be due to him

(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.

29.1 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.

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

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.

32.1 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.

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

34.1 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.

29. Governing language

30. Applicable law

31. Notices

32. Taxes and duties

33. National Industrial Participation Programme (NIP)

34. Prohibition of Restrictive practices

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

Js General Conditions of Contract (revised July 2010)