



SUPPLY CHAIN MANAGEMENT

3366 Besemmer Str Telkom Building
Industrial Site Mahikeng, 2745
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

2nd Floor West Wing, University Drive
Garona Building
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

INVITATION TO BID

BID NUMBER: DHS 23/2022 VALIDITY PERIOD: 90 DAYS

CLOSING TIME: 11H00 CLOSING DATE: 18 NOVEMBER 2022

DHS 23/2022: APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO UNDER-TAKE PRE-ACCREDITATION, POST ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF 8 MUNICIPALITIES IN NORTH WEST PROVINCE TO PERFORM HOUSING FUNCTIONS.

1. Kindly furnish the Department with a bid for the services shown on the attached documents.
2. The conditions contained in the General Conditions of Contract (GCC), the Terms of Reference and bid forms as well as any other conditions accompanying this invitation are applicable.
3. No late, faxed or emailed bids will be considered. Bids received after the closing date and time are late and as a rule will not be acceptable for consideration.
4. It is the responsibility of the bidder to ensure that the company is registered on the National Treasury Central Suppliers Database as service providers.
5. Bid documents will be available from the Department of Human Settlements, 27 James Watt Crescent, Industrial Site, Mafikeng from 31 October at 09h00. A non-refundable deposit fee of R200 that must be deposited to Departmental Account Number as follows:-

Bank Name: First National Bank (FNB)

Account Name: NW – Department of Human Settlements

Account Number: 62825725560

Branch Code: 210244

Reference: DHS 23/2022

The non-refundable fee for documents does not apply to service providers who can download tender documents that can be found on the e-tender publication portal website www.etenders.gov.za/content/advertised-tenders and Departmental Website: <http://www.nwpg.gov.za/HumanSettlements/site/index.html>.

6. The Department of Human Settlements reserve the right to award the bid in whole or in part to one or more service providers and does not bind itself to award to the lowest bidder.
7. All the documents accompanying this invitation to bid must be completed in detail where applicable and sealed in an envelope clearly marked the Bid Number and placed in the Bid box before the closing date and time. The bid box is situated at: **CRAFT PRESS BUILDING (formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.**

CONDITIONS TO BID

This bid is issued under the condition that the bidder/s should at any stage during production or execution or on completion of the service be subjected to inspection. The premises of the Service Provider/shall be open at all reasonable hours for inspection by the representative of the Department of Human Settlements. The Bidder also agrees that the financial standing may be examined as part of the inspection.

8. EVALUATION CRITERIA

THE BID WILL BE EVALUATED IN THREE (3) STAGES AS FOLLOWS:-

STAGE 1: Bid Administrative/Compliance requirements

- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.1: Pricing Schedule- Firm Prices
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2017
- ✓ General Conditions of Contract (initialized each page)
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ Valid B-BBEE Certificate / Sworn Affidavit
- ✓ In case of a joint venture the following documents to be submitted
 - Valid joint venture agreement signed by all parties and witnessed
 - Certificate or authority for Joint Ventures (where applicable)

- Consolidated B-BBEE Certificate (if not consolidated preference points will be 0)
- Valid Tax Clearance Certificate of all parties / Unique Pin issued by SARS
- Detailed Company profile of all parties (Include all services done by the company and indicate the contact details of a reference person on the project)
- ✓ Detailed Company profile (Include all security services done by the company and indicate the contact details of a reference person on the project)

1.2 Bid Mandatory Requirements

- ✓ Proof of Registration with South African Council for Planners (Valid at the time of closure of the bid.)

Failure to comply with this requirement will lead to immediate disqualification.

STAGE 2 Functionality with a minimum threshold of seventy (70) points.

STAGE 3 Bidders will be evaluated in terms of 80/20 Preference Points System

ANY ENQUIRIES REGARDING THE APPLICATION PROCEDURE MAY BE DIRECTED TO:

Contact Person (SCM Related) : Ms Elna Kepadisa

Tel. No. 018 - 388 3931

E-mail address : ekepadisa@nwpg.gov.za

Contact Person (Technical Related) : Dr Ben Bole

Tel. No. 018 - 388 5437

E-mail address : MSBole@nwpg.gov.za

Ms K.M. TUMANE: 
DIRECTOR: SUPPLY CHAIN MANAGEMENT

DATE: 28/10/22



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COMPULSORY BRIEFING SESSION

DHS 23/2022 ~ APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO UNDER-TAKE PRE-ACCREDITATION, POST ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF 8 MUNICIPALITIES IN NORTH WEST PROVINCE TO PERFORM HOUSING FUNCTIONS.

ALL BIDDERS KINDLY NOTE THAT THE BRIEFING SESSION WILL BE HELD ON:

DATE : 09 NOVEMBER 2022, WEDNESDAY

TIME : 11:00

VENUE : AUDITORIUM, PROVINCIAL ARCHIVE & LIBRARY BUILDING, CNR ALBERT LUTHULI & UNIVERSITY DRIVE, MMABATHO 2735

TENDERERS ARE REQUESTED TO BE SEATED AT 10:50

FOR FURTHER INFORMATION

ENQUIRIES : Ms. ELNA KEPADISA

TEL : (018) 388 4435

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DHS 23/2022	CLOSING DATE:	18 NOVEMBER 2022	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO UNDER-TAKE PRE-ACCREDITATION, POST ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF 8 MUNICIPALITIES IN NORTH WEST PROVINCE TO PERFORM HOUSING FUNCTIONS.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
CRAFT PRESS BUILDING (formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO					
TECHNICAL ENQUIRIES MAY BE DIRECTED TO:					
CONTACT PERSON	ELNA KEPADISA		CONTACT PERSON	Dr BEN BOLE	
TELEPHONE NUMBER	018 388 3911/079 727 2530		TELEPHONE NUMBER	018 388 4537 081 004 1452	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	ekepadisa@nwpg.gov.za		E-MAIL ADDRESS	MSBole@nwpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

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

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

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.	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
- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "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



human settlements
 Department:
 Human Settlements
 North West Provincial Government
 REPUBLIC OF SOUTH AFRICA



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SUPPLY CHAIN MANAGEMENT

PRICING SCHEDULE

SCOPE OF WORK	QUANTITY (NUMBER OF MUNICIPALITIES)	PRICE PER MUNICIPALITY	TOTAL PRICE
CATEGORY 1	4		
CATEGORY 2	2		
CATEGORY 3	2		
TOTAL BID PRICE			



Let's grow North West together

SBD 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:
.....
.....

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

2.3.1 If so, furnish particulars:
.....
.....

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

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF

PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature Date
..... Position Name of bidder

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

SBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated **not to exceed** R50 000 000 (all applicable taxes included) and therefore the **...80/20.....** 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:

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

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

80/20 **or** **90/10**

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

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

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

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

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

5. BID DECLARATION

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

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

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

7. SUB-CONTRACTING

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

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

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in

paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>	<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>
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STAKEHOLDER ENGAGEMENT AND CAPACITY DEVELOPMENT

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**APPOINTMENT OF A PROFESSIONAL
SERVICE PROVIDERS TO UNDER-TAKE
PRE-ACCREDITATION, POST
ACCREDITATION SUPPORT, COMPLIANCE
ASSESSMENT AND CAPACITY SUPPORT
FOR THE ACCREDITATION OF 8
MUNICIPALITIES IN NORTHWEST
PROVINCE TO PERFORM HOUSING
FUNCTIONS**

BID NO: DHS 23 /2022

B10120012/1

Head Office

Physical Address : Craft Press Building

27 James Watt Crescent

Mafikeng

Industrial Site

Contact Person: Dr Ben Bole

Telephone: (018) 388 4824

Email: MSBole@nwpg.gov.za

SCM AND SPECIFICATIONS

Office: 018 388 4525

Or

Office: 018 388 2067

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1.0 INTRODUCTION

One of the key programmes that will be implemented by Northwest Department of Human Settlements in 2022/23 financial year is the accreditation of municipalities in line with the Draft 2017 Revised Accreditation and Assignment Framework for Municipalities which is available from www.salga.org.za website. The provincial department has accredited Two (2) municipalities for level 1 and 2. The Department has also identified additional six municipalities for accreditation.

The department needs to design and implement a tailored capacitation programme for the identified municipalities to ensure that they can perform functions for which they are accredited. Secondly, the department would like to consider and support level 1 municipalities for level 2 accreditation and ensure a state of readiness of five more municipalities for accreditation assessment hence this call for experienced service providers to undertake this task.

1.1 IDENTIFIED MUNICIPALITIES FOR PRE-ACCREDITATION ASSESSMENT & POST SUPPORT

The identified municipalities for level 1 are the following:

- **Moses Kotane**
- **Madibeng**
- **Naledi**
- **Mahikeng**
- **KetlengRivier**
- **Greater Taung**

However, Mahikeng, Taung have already undertaken scope analysis, the service providers be would expected to assess the status, align and finalise the accreditation business plan.

The identified municipality for level 2 is the following:

- **JB Marks**

The identified municipality for support at level 2

- **Rustenburg**



2.0 PURPOSE OF THE ASSIGNMENT

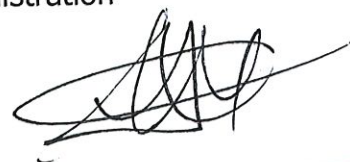
Northwest Department of Human Settlements seeks to appoint two Professional Providers to under-take the following processes on the above-mentioned six municipalities that have been identified for accreditation for level 1 and JB Marks municipality currently Accredited at Level 1 to considered be for Accreditation at Level 2

- a) Post accreditation support and activities for level 1 and 2 accredited municipalities which involves, amongst other activities the following;
 - o Facilitating the development and signing of Implementation Protocols between the provincial department and the accredited municipalities
 - o Develop and implement the Municipal Capacity and Support Plan that addresses the capacity and support needs of the municipality to effectively perform accredited functions.
 - o Coordinate, monitor performance and provide performance reports on the roles and responsibilities of the municipalities with regard to accreditation.
- b) Compliance Assessment and Capacity support towards the accreditation of the level 1 municipalities to level 2 in terms of the Draft 2017 Revised Accreditation and Assignment Frameworks for municipalities. The PSP to be appointed is responsible for assembling and establishing the Accreditation Assessment Panel. This will produce the Independent Assessment report towards the accreditation of municipalities to level 2.

3.0 MUNICIPAL ACCREDITATION PROGRAMME

To become accredited, municipalities will have to demonstrate that they have sufficient capacity to perform specific functions. There are three levels of accreditation, which correspond to the level of capacity of the municipality.

Accreditation Level One: Beneficiary management, subsidy budget planning and allocation, and priority programme management and administration



Accreditation Level Two: Full programme management and administration of all housing instruments/ programmes (in addition to Level One responsibilities)

Accreditation Level Three: Full financial administration (In addition to level 1 and 2 accreditation responsibilities)

4.0 SCOPE OF WORK AND DELIVERABLES

The Department intends appointing two service providers for a period of twenty(24) months to understand scope of work detailed in the three tables below. The scope entails provision of services on eight municipalities. The eight municipalities are broken into three categories, i.e.

- a) **Category A:** Comprise of those municipalities that have never been assessed and have been assisted or taken their own initiative to develop accreditation business plans and are listed below in **Table A**
- b) **Category B:** Comprise of those municipalities that have taken their own initiative to prepare accreditation business plans and would require assessment and alignment of the business plans to accreditation framework and are listed In **Table B**
- c) **Category C:** Comprise of municipalities that have been assessed and accredited and require support post accreditation and are listed in **Table C**

The appointed service providers will be expected to undertake three scopes and would be split into half. However, service providers would be expected to tender for all municipalities. Tenderers will compete on price and BBBEE.

The scope of work is detailed in the three tables below

SCOPE 1: CATEGORY A MUNICIPALITIES: (MADIBENG, MOSES KOTANE, KETLENGRIVIER & NALEDI)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report



Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Implementation Plan
Analysis	Service provider interacts with the municipality through a thorough consultative process. (a) Intergovernmental Relations (b) Municipal Governance (c) Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management	Analysis Report
Design	Gap Analysis and development of a fit for purpose institutional model	Alignment Report
Development	Development of of a business plan detailing each of the five key areas	Draft Business Plan
Consolidate	Align to revised framework and consolidate findings	Alignment Framework
Deliver(Draft Business Plan	Prepare a draft business plan and circulate for input	Draft Business Plan
Evaluate	Solicit inputs from municipality and province	Inputs from Municipalities
Final Business Plan	Final Consolidation & project closure	Final Accreditation Business Plan

SCOPE 2 : CATEGORY B MUNICIPALITIES (Mafikeng & Taung)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report



Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Project Implementation Plan
Analysis	Service provider interacts with the municipality through a thorough consultative process. (a) Intergovernmental Relations (b) Municipal Governance (c) Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management	Municipal Status Quo Analysis Report
Design	Gap Analysis and development of a fit for purpose institutional model	Gap Analysis Report
Development	Development of a business plan detailing each of the five key areas	Situational Analysis Report
Consolidate	Align to revised framework and consolidate findings	Preliminary Business Plan
Deliver(Draft Business Plan)	Prepare a draft business plan and circulate for input	Draft Business Plan
Evaluate	Solicit inputs from municipality and province	Inputs Report
Final Business Plan	Final Consolidation & project closure	Final Accreditation Business Plan
Totals		

SCOPE 3 : CATEGORY C MUNICIPALITIES (Rustenburg & JB Marks)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report

Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Detailed Project Activity Schedule with cashflow projections
Implementation Protocols	Facilitate acceleration of signing of implementation protocol	Signedimplantation protocol
Analysis	<p>1) Status quo confirmation of municipality(20) (a) Intergovernmental Relations (b) Municipal Governance © Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management</p> <p>2) Development of a Post Accreditation capacity support on soft skills (30) (i) training requirements on subsidy administration (ii) Development of a training course (iii) Conducting training on subsidy administration (iv) Development of a training course on project planning project management (v) Conduct the training on project planning and project management Infrastructure Assessment</p> <p>3) Assessment for infrastructure availability to perform functions at which the municipalities are accredited at(20); (i) Offices (ii) Office Automation (iii) Relevant management tools</p>	<p>1. Status Quo Report of the municipality on five areas: Intergovernmental Relations (b) Municipal Governance © Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management</p> <p>2. Post Accreditation Capacity Building Report on soft skills and Human Resources Requirements Report</p> <p>Infrastructure & Office Automation Requirements Report</p>
Prepare & Submit Post Accreditation Support Report	Final Consolidation & project closure	Consolidated Post Accreditation Support Report

5.0 DURATION

The duration of the assignment is 24 months from the project commencement date (to be stipulated in the appointment letter).

6.0 CONTRACT PERFORMANCE



In accordance with the relevant standards and procedures for professional practice, and contracted scope of work, the successful professional service provider will submit and make both oral and written presentations on the following outputs and deliverables:

The project must be completed within 24 months after the appointment letter has been issued. It is estimated that the consultant shall complete the assigned works as per the following schedule:

Note: -

- The service provider must develop a detailed methodology on how each phase/milestone will be approached and the estimated time required.
- The service provider will be expected to submit quarterly progress reports on the work done to the client.
- Where relevant, the information and findings must be accompanied by illustrations in graphical or tabular format.
- Ownership and publication of deliverables – the Department will become the owner of all data collected, reports, unique indicators tailored for use by the Department, furnished and/or compiled by the Service Provider during and for the purposes of executing the agreement. To the extent that copyright in any intellectual property compiled by the Service Provider during and for purposes of the agreement vests with the Service Provider, such copyright will become the property of the DEPARTMENT, unless otherwise agreed by the in writing.
- On each reporting milestone, the following should be submitted:
 - Three copies of the printed and wire ring binding of the full documents in A4 or A3 format – the compilation graphics and maps may be provided in the same paper size of the main documents; and
 - Three USBs containing high resolution versions of the report in source document format as well as pdf
 - Presentations in Microsoft PowerPoint format
- An oral presentation for each of the deliverable outputs will be delivered to the client.



7.0 REQUIRED SKILLS

The service provider will be required to demonstrate the following knowledge and expertise:

- Excellent communication and organisational skills
- Extensive experience within human settlements environment
- Experience on delegation of functions and local government management environment
- Demonstrable knowledge of Intergovernmental Relations Framework Act
- Demonstrable experience on municipal accreditation and all applicable legislations
- Specific expertise in municipal finance, infrastructure programmes, project funding, municipal reporting, project finance, financial management, grants and municipal audits
- Programme and project management
- Understanding the organisational structures, operations and financing of the public service

The above professional staff composition is the minimum requirement. The consultants are advised to propose their own team composition based on the scope of work as defined above.

8.0 EVALUATION PROCESS

8.1. The DEPARTMENT needs to be satisfied, in all respects, that the organisation selected has the necessary resources, qualifications and abilities for this project, and that all submissions are regarded in a fair manner in terms of evaluation criteria and process.

8.2. The general methodology of selection will be that proposals will first be evaluated on their technical ability to perform the task. **Any proposals scoring below 70% of the points noted in the table below will be disqualified for the second**

evaluation. The second evaluation of technically competent proposals will be evaluated against Price and B-BBEE using 80/20 Price/B-BBEE formula.

Table 2 – Evaluation Criteria

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
company profile and individual team members (CVs)	<ul style="list-style-type: none"> • NQF Level 7 Development Planning/Town Planning (5) • NQF Level 7 Finance Management(5) • NQF Level 7 Public Administration(5) • Postgraduate qualifications will be an advantage (9) • Company profile with municipal accreditation related work and research on human settlements (11) 	35
	Previous work in: <ul style="list-style-type: none"> • Compilation of the human settlements policy/strategy(s),IDPs, SPFs ,MYHSDPs (10) • (i) One Assignment (2) • (ii) Two assignments(5) • (iii) Three assignments (7) • (iv) Four assignments (10) • Human settlements research and market surveys(10) • (i) One Assignment (2) 	20

	<ul style="list-style-type: none"> • (ii) Two assignments(5) • (iii) Three assignments (7) • (iv) Four assignments (10) 	
Approach and methodology	<ul style="list-style-type: none"> • Methodology, time frames for delivery and clear understanding of information to be collected and the rationale thereof • Methodology is Generic not project specific(5) • Methodology tailored to project but NOT detailed(10) • Methodology meets project specification (20) • Methodology is detailed with clear deliverables and is consistent with project objectives(45) 	45
Total		100

The following criteria will be used for point's allocation for price and B-BBEE compliance on **80/20** point system: -

Table 3 – Price and B-BBEE

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed Budget Breakdown	80
B-BBEE Status Level Verification Certificate from accredited verification agencies.	B-BBEE Level Contributor	20

Total	100
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- a. For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to functionality criteria mentioned. A bidder that scores less than seventy (70) points in respect of functionality will be disqualified.
- b. Therefore, only qualifying bids can be evaluated in terms of **80/20 preferential points system.**

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

(Bidders who do not submit B-BBEE status level verification certificates or are non-compliant contributors to B-BBEE do not qualify for preference points and will score zero (0) points out of 20 for B-BBEE.)

TOTAL POINTS FOR PRICE, B-BBEE STATUS LEVEL = 100

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	16
4	10
5	8
6	6
7	4
8	2
Non-compliant contributor	0

TOTAL POINTS FOR PRICE, B-BBEE STATUS LEVEL = 100

9.0 COMPULSORY FUNCTIONALITY INFORMATION

The following compulsory pre-evaluation and functionality information must be supplied. Failure to supply any of the following information will lead to disqualification.

Administration Requirements

The following must be supplied for the bid to qualify for further evaluation:

1. Copy of company registration documents
2. **Certified** identity documents of company directors or shareholders
3. Proof of registration with the South African Council of Planners (Valid at the time of closure of the bid.)
4. Authority to sign on behalf of bidder
5. Certificate or authority for Joint Ventures in the case of joint ventures
6. Joint venture agreement for Joint Ventures
7. Detailed company profile

9.1 Mandatory documents:

- a) **All SBD forms must be completed, signed and certified where applicable.**
- b) **SARS Tax Pin** (Compliance Certificate from SARS) – Tax Matters will be verified before an award is concluded.

9.1.1 Relevant Experience

Please complete the following table for any work carried out during the past 5 years of operation to show the companies record Project and Construction Management experience. You will have to duplicate this sheet to supply information for all the projects that your organization has been involved in. (Current and completed)

PROJECT NAME	
SCOPE OF WORK	
CLIENT	

CONTACT PERSON AND DETAILS	
VALUE OF CONTRACT	
START DATE	
COMPLETION DATE	
ATTACH COMPLETION CERTIFICATE	

9.1.2 Technical Team Experience

Please complete the following table for any of the Professional Team Member who will be responsible for the project stating their responsibilities. You will have to duplicate this sheet to give details of all professional team member required for the implementation of the project.

NAME OF PROFESSIONAL	
PROFESSIONAL REGISTRATIONS	
REGISTRATION NUMBER	
BRIEF DESCRIPTION OF SPECIALIZATION AREAS	
RESPONSIBILITY ON THIS PROJECT	

9.1.3 Detailed Implementation Plan

As per requirement service providers will have to furnish a **detailed implementation plan** that will reflect their understanding of the complexity of the task. It will indicate **realistic time frames** for each activity and the resources to be allocated to ensure that each activity is achieved within the stipulated time frames. This implementation plan will form an annexure to your contract and you will be required to implement the project according to this implementation plan

9.1.4 Delivery Schedule

Preparation of a detailed delivery schedule as stated in the scope of work is expected. This delivery schedule will be aligned to your cash-flow projections. The delivery schedule will form part of the annexure to the appointed service providers' contracts and the delivery of the project milestone deliverables is expected to be according to this delivery schedule.

9.1.5 Cash Flow projections

Bidders are expected to provide detailed cash flow projections that are aligned to their delivery schedule. The presented cash flow projection will be annexed to the service level agreement and expenditure of appointed service providers' will be expected to be according to the respective cash flow projections they have provided.

Recommended / Not Recommended

Chairperson DBSC:



Date: 27/09/2022

Recommended / Not Recommended

Chairperson DBAC:



Date: 27/09/2022

Approved / Not Approved

Accounting Officer:



Date: 6/10/2022

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

**25. Force
Majeure**

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

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

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

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

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

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

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

**28. Limitation of
liability**

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

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

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