



## INVITATION TO BID

### **BID NO NWPL 09/2019/20: PROVISION OF CANTEEN MANAGEMENT AND CATERING SERVICES TO THE NORTH WEST PROVINCIAL LEGISLATURE FOR THE PERIOD OF THREE YEARS**

1. You are hereby invited to bid for the abovementioned bid. Kindly receive the attached documents for full completion and to be returned with the bid documents as follows:
2. SBD 1. Invitation to bid
3. SBD 2. Tax Clearance Requirements
4. SBD 3. Pricing Schedule
5. SBD 4. Declaration of Interest form
6. SBD 6.1 Claim Form in terms of the Preferential Procurement Regulations Act of 2011
7. SBD 7.2 Contract Form – Rendering of Service
8. SBD 8. Declaration of the bidders past Supply Chain Management Practices
9. SBD 9. Certificate of Independent Bid Determination
10. The conditions contained in the General Conditions of Contract (GCC), as well as any special conditions relating to this bid are applicable.
11. The work procedures the bidder proposes to follow in order to obtain the required results must be clearly outlined and may not conflict with those contained in the General Conditions of Contract.
12. Duly completed and signed documents must be put in a clearly marked envelope with the following information;  
Bid No  
Closing date  
Closing time
13. No telegraphic or facsimile bids will be considered.
14. The NWPL reserves the right to accept the bid in whole or in part and does not bind itself to accept the lowest or any bid.
15. For more information on the specifications please contact

Technical : Ms. S. Makgetla (018)392 7177

Bid Info : Ms. B. Ditlhokwa (018) 392 7274

: Mr. Tiro Setuki (018) 392 7300

16. There will be non-compulsory briefing meeting.  
Date : 26 March 2020  
Venue : Committee Room 2, Dr James Moroka Drive, Mmabatho  
Time : 10H00

17. The bid will close on 22 April 2020 at 11hrs.
18. The tender box is situated on the ground floor of the Legislature building at the reception.
19. Bid requirements
  - Late bids will not be considered
  - Validity Period is ninety (90) days.
  - All bids must be quoted in SA Rand value
  - All relevant documents must be completed in ink where applicable.
  - Use of correction pen (tippex) and pencil in the bid document will not be allowed.
  - Where cancellation has been made in the bid documents it should be endorsed by signature.
20. Please ensure that the following documents are attached:
  - Original completed and signed bid document
  - Copy of the Tax Clearance Certificate or a copy of SARS pin code
  - Copy of certified identity Document of the directors/owner within six months
  - Copy of the Company registration Certificates
  - Copy of Certified B-BBEE certificate or original sworn affidavit of the EME certificate
  - Proof of registration with CSD.

**THE DATE STAMP ON THE CERTIFIED DOCUMENTS MUST BE ORIGINAL STAMPED AND NOT OLDER THAN SIX MONTHS ON THE DAY OF SUBMISSION.**

**THE BID DOCUMENT MUST BE SUBMITTED IN SEALED AND MARKED PACKAGE OR ENVELOPE; IF NOT THE BID DOCUMENT WILL BE DECLARED INVALID.**

**SHOULD THE ABOVE DOCUMENTS NOT BE ATTACHED, YOUR BID WILL BE DECLARED INVALID, EXCEPT FOR THE BBBEE WHEREBY POINTS WILL NOT BE ALLOCATED FOR A NON-COMPLIANT CERTIFICATE OR NON-SUBMISSION THEREOF.**

21. Evaluation criteria

- **Functionality:**


Bidders must score minimum of 60 points on functionality.

- **Evaluation on pricing:**

The bid will be evaluated on 80/20 preference Point System, where 80 points will be allocated for price and 20 points will be for the BBBEE Status level of contribution.

1	Price	80
2	B-BBEE Status level of contribution	20
3	TOTAL	100

The North West Provincial Legislature is a National Key Point, and as such the awarded bidder will undergo security screening and vetting.

A handwritten signature in black ink, consisting of a large, stylized 'M' with a horizontal line extending to the right, and a small '2' or 'B' written above the main stroke.

**Mr. O.S Mosiane**  
**Secretary**

**North West Provincial Legislature**

24/03/2020  
Date



**NORTH WEST PROVINCIAL LEGISLATURE**  
**PILEDIWA E A LWELWA**

**INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE  
NORTH WEST PROVINCIAL LEGISLATURE**

BIDNO: NWPL09/2019/20 CLOSING DATE: 22 APRIL 2019 CLOSING TIME: 11:00am DESCRIPTION: PROVISION OF  
CANTEEN MANAGEMENT AND CATERING SERVICE TO THE NORTH WEST PROVINCIAL LEGISLATURE FOR THE  
PERIOD OF THREE YEARS.

**The successful bidder will be required to fill in and sign a written Contract Form**

BID DOCUMENTS CLEARLY MARKED "NWPL 09/2019/20" ADDRESSED TO:

The Secretary  
North West Provincial Legislature  
P/Bag X 2018  
**MMABATHO**  
2735

**MUST BE**

Deposited in the Tender Box  
situated at The North West  
Provincial Legislature Building  
**Dr James Moroka Drive**  
Mmabatho, 2735

**Bidders must ensure that bids are delivered on time and at the right address as no late documents will be accepted.**

ALL BIDS MUST BE SUBMITTED ON OFFICIAL BID FORMS (NOT RE-TYPED OR DUPLICATED).

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC).

**THE FOLLOWING PARTICULARS MUST BE FURNISHED  
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

Name of Bidder .....

Postal Address .....

Street Address .....

Telephone Number .....

Cell phone Number .....

Facsimile Number .....

VAT Registration Number .....

HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED (SBD2)? .....

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED?  
(SBD 6.1).....



# **FINANCIAL SERVICES BID SPECIFICATIONS**

## **SUPPLY CHAIN MANAGEMENT**

### **SPECIFICATION FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF CANTEEN MANAGEMENT AND CATERING SERVICES TO THE NWPL FOR A PERIOD OF THREE (3) YEARS.**

#### **1. PURPOSE**

- 1.1. The North West Provincial Legislature (Legislature) wishes to appoint a suitably qualified and competent service provider with relevant experience to provide canteen management and catering services to Members and staff of the Legislature for a period of three (3) years.
- 1.2. The appointed service provider will be expected to provide catering services to Members and staff of the Legislature at the legislature precinct.
- 1.3. Provide complete canteen operation and management services at the Legislature precinct, which include provision of lunch meals to the Legislature staff, serving the meal, cleaning and sanitation of the kitchen.
- 1.4. Provide complete operation of prestige catering of cooked and fast foods during in-house events, the SOPA (State of the Province Address) internal meetings,
- 1.5. The catering services to be provided include amongst others breakfast, staff lunch, buffet lunch during events, finger food, afternoon tea and dinner.

#### **2. SCOPE AND EXTENT OF WORK**

- 2.1 The role of the Service Provider is to provide catering services for meetings, in accordance with the terms and conditions as stipulated in the bid documents and the Service Level Agreement (SLA) to be entered into between The NWPL and the Service Provider.
- 2.2 Provide management of a canteen for daily staff meals (Monday to Friday)
- 2.3 Bidders are expected to provide complete management and operation of a prestige level (cooked and fast food) including catering service for meetings and functions.
- 2.4 The successful Service Provider will be awarded a contract to provide canteen management and catering services for a period of 3 years.
- 2.3 The successful service provider is expected to, upon request, serve packaged takeaway meals, e.g. packaged breakfast/lunch/dinner for use in a microwave and oven.
- 2.4 The successful service provider is expected to have warming trolleys and other related catering equipment for delivery and collection at the required service station.
- 2.5 The NWPL reserves the right to request the service provider/s to do a presentation on the kind of services that will be offered, when required.

- 3.1 The Service Provider will be required to prepare, deliver and serve the required meals only after the Purchase Order has been issued.
- 3.2 Please note that service providers are required to quote for plate per person/each. The estimated number during meetings vary from ten to fifty people at a time.
- 3.3 The following are the categories of menu's that will be required:

LUNCH BUFFET FOR MEETINGS: SERVED WITH FORK AND KNIFE	
No of people can be 10 to 50 at a time	
DESCRIPTION	PRICE INCL VAT
<ul style="list-style-type: none"> <li>• 2 x Protein (Meat/fish/chicken/beef/lamb with assorted sauces)</li> <li>• 2 x Starch (rice/samp/pap/potatoes/dumpling)</li> <li>• 2 x Salads</li> <li>• 2 x Hot Vegetables</li> <li>• <b>Sweets/Dessert</b></li> </ul>	Per person (per plate) = .....

<b>FINGER FOODS PLATTER</b>	
DESCRIPTION	PRICE INCL VAT
<ul style="list-style-type: none"> <li>• Grilled drumsticks</li> <li>• Grilled wings</li> <li>• Mini beef sausages</li> <li>• spring rolls</li> <li>• mini wraps</li> <li>• fish bites</li> <li>• Assorted cold meats</li> <li>• Mini Chicken and beef burgers,</li> <li>• crumbed chicken strips</li> <li>• Beef biltong/ droe wors</li> <li>• Mini pizzas with assorted toppings</li> <li>• Assorted samosas</li> </ul>	Per platter for Ten people..... Twenty people.....

<b>AFTERNOON TEA</b>	
DESCRIPTION	PRICE INCL VAT
<ul style="list-style-type: none"> <li>• Variety of biscuits / light treats</li> <li>• Tea - rooibos, coffee and milk, sugar(white,brown,canderel, lemon slices)</li> </ul>	Per person = R .....

<b>BEVERAGES</b>	
DESCRIPTION	PRICE INCL VAT
<ul style="list-style-type: none"> <li>• Juice (100% fruit juice blend)</li> <li>• Juice(sparkling)</li> <li>• Mixed cans (soft drinks)</li> </ul>	Per litre R .....  Per 500ml = R .....  Per 350ml / 330ml = R .....
<ul style="list-style-type: none"> <li>• Mineral water (Sparkling and still)</li> </ul>	Per litre = R .....  Per 500ml = R .....

<b>DINNER</b>	
<b>PLEASE QOUTE PLATE PER PERSON, MINIMUM FIFTY PEOPLE</b>	
DESCRIPTION	PRICE INCL VAT
<b>STARTER:</b>	Plate/Per person.....
<ul style="list-style-type: none"> <li>• Assorted breads and rolls</li> <li>• Snoek pate and chicken liver pate and butter</li> <li>• Soup: Spicy butternut soup or minted pea soup or minestrone</li> </ul>	







<p>Bacon and Egg Burger Dagwood Chicken Burger</p> <p><b>FRIES</b> Chips Regular size Russian</p> <p><b>OTHER</b> Potato Chips Energy Drinks Sports Drinks Assorted Sweets packet Assorted chocolate bars</p>	<p>..... ..... .....</p> <p>..... .....</p> <p>..... ..... ..... ..... .....</p>
<p><b>DESCRIPTION:</b> <b>CANTEEN LUNCH OPTION: MENU ONE</b> Meal of the Day comprising of: 1 protein 1 Starch 2 x Veggies (1 x hot vegetable and 1 x Salad) <b>ONE OF THE FOLLOWING OPTIONS</b> Protein (fish, chicken, pork chops, beef steak, beef stew, chicken curry) Protein (Chicken) Quarter Portion Protein (Beef Steak) 350g Protein (Lamb Chops) 200g Protein (Pork Chops) 200g Beef Stew/ Curry 200g Chicken Stew/ Curry 200g</p> <p><b>Dessert</b></p> <p><b>TRADITIONAL CUISINE: MENU TWO</b> Meal of the Day comprising of: 1 protein 1 Starch 2 x Veggies (1 x hot vegetable and 1 x Salad)</p> <p>Ting/ Samp/Samp and beans <b>ONE OF THE FOLLOWING OPTIONS</b> Tshotlho/ Magopelo/ Tlhakwana/ Hard body Chicken (350g portion each per serving) <b>Dessert or seasonal whole fruit, or Ginger beer.</b></p>	<p>Plate/Per Person .....</p> <p>Per person/per plate.....</p>

#### **4. Canteen Services Daily catering for staff**

The average number of employees utilising the Legislature canteens on a daily basis range between 50 – 250 people on different variables and preferences. The NWPL staff pays the service provider directly for their orders on cash basis. The daily requirements are as follows:

##### **4.1. Breakfast**

Breakfast must be served from 07:00 until 10:00 (seated and take-away).

Breakfast service includes hot and cold items: examples - fried eggs, boiled eggs, sausages, toasted sandwiches, fried tomatoes, loose seasonal fruit, soup, slices of bread (brown & white bread), hot and cold cereals, yoghurt, fruit salads, muffins, tea, coffee, cappuccinos, etc.

##### **4.2. Lunch**

Lunch must be served from 12:30 until 13:30 (seated and take-away).

Lunch service to include hot items: minimum 1 protein, 1 starches/ carbohydrates, vegetarian, dessert or loose seasonal fruit assorted. The menu must include a variety of dishes which cater for employee's preferences.

#### **5. HEALTH BAR**

Health Bar must operate from 07:00 until 16:00 The Health Bar will be located in the canteen and must serve the following:

fresh juices, .....	Per person/each
smoothies.....	
fruit salad.....	
loose seasonal fruit, .....	
health bars, .....	
health muffins. ....	
Plain/Low fat Yoghurt.....	

6. The NWPL events are normally attended by dignitaries and people who are in the VVIP category. The food and the equipment to be used are to meet the anticipated/set highest standard.

Catering for meetings will include the delivery of food, drinks, crockery, utensils and other required facilities at the identified venues prior to the commencement of meeting or workshop. These are to be collected after each meeting and the venue must be left in a 'neat and tidy' situation afterwards. The NWPL is offering the canteen facilities on a non-lease/rental basis for a period of three years.

#### **7. MANAGEMENT FEE**

The Legislature will pay the monthly management fee to contracted service provider. The fee paid will be for overheads and salaries to staff appointed on this contract. A proper breakdown of management fee must be provided by the bidder in the proposal, as part of the pricing structure.

Management Fee .....per month

#### **8. THE NWPL 'RESPONSIBILITIES**

- maintenance of all its canteen facilities throughout the contract period.
- Electricity
- Water Points
- Geyser
- Refrigeration
- Microwave
- Stove
- Griller
- Canteen Furniture
- Fumigation

- Telephone line for internal calls only
- Implementation of a Point of Sale for staff meals

## **9. SERVICE PROVIDER'S RESPONSIBILITIES**

**The appointed service provider will be responsible for the following Catering Equipment: Free of charge to the NWPL.**

- cutlery and
- crockery
- pots to serve the target
- disposable supplies
- equipment for outside catering etc.

### **Type of facility/area**

Refectory/ Canteen	Eating area for staff	1
Main Kitchen	Sustenance and foodstuffs preparation	1
VIP Kitchen	Sustenance and foodstuffs preparation	1
Delivery Entrance	Delivery entrance for catering purchases	1
Kiosk	Selling of takeaways and sitting in	1
Health Bar	Selling of health food	1
Admin Office	Administration office for catering service	1
Deep Freezer/refrigerator	Keeping of food stuffs	1
Storeroom	Storage for catering equipment	1

9.1. The service provider will be required to ensure that the facilities are always kept clean and tidy and ready for use when needed. All Catering facilities are to be used exclusively for the preparation of catering for consumption by NWPL personnel, VVIP's and guests; i.e. facilities cannot be used for external functions. The NWPL will conduct, through the Department of Health, an audit once a year or whenever necessary without notifying the service provider and the findings of which shall be discussed with the service provider for corrective measures to be taken if any.

9.2. In order to cater for all guests adequately, the above menu is subject to change pending the special dietary requirement. The appointed service provider will then develop and quote the NWPL on the revised menu which will be subject to approval or further scrutiny.

**NB: THE SERVICE PROVIDER MUST BE ABLE TO SERVE SPECIAL MEALS (E.G. HALAAL, KOSHER, SLIMMER'S CHOICE, LOW CARBS MENU, ETC. SOME OF THESE SPECIAL DIETARY REQUIREMENTS WOULD HAVE TO BE OUTSOURCED ON TIME (TIMELY) OR SERVED ON A 'PRE-ORDER' BASIS.**



## 10. MANAGEMENT REQUIREMENTS

- 10.1. Service provider must adhere to the specification and any dispute about adherence to the specifications and the quality of services rendered by the **Service Provider** or a perceived violation of these bid specifications by the **NWPL** will be resolved as per the provisions of the SLA.
- 10.2. Bidders are required to provide detailed information with regard to project or work of similar nature previously undertaken by the bidder as well as period of such project or work. Reference letters from such clients must be submitted together with this bid. **Such information must be attached to the bid document** in the following format failure to complete the below information will be automatically disqualified

Name of Client	Date of Appointment and Amount/Value	Number of years with the Client	Contact Number of Client

- 10.3. It is the requirement of this bid that the successful bidder must deploy a full time manager on site to attend and direct catering services for the duration of the contract.
- 10.4. The bidder must have completed similar catering services project or have current projects which will be inspected by the NWPL during the evaluation process of this bid. Proof of this, must be in the form of a copy of a **current valid contract, or references for completed work, and should be attached. The value of current or completed contracts must be indicated.**

## 11. SECURITY REQUIREMENTS

- 11.1. The award of this bid will be subject to positive security screening of all staff members to be deployed by the successful bidder to the NWPL. The security screening will be done in accordance with the State Security Agency policies and procedures.

## 12. DURATION OF THE CONTRACT

- 12.1. The specifications as indicated in paragraph 3.1 above will be part of the contract between the NWPL and the Service Provider. Such contract will be valid for **three (3) years from** the commencement date.
- 12.2. The two parties shall be bound by the SLA referred to in paragraph 2.1 above.

## 13. SPECIAL BID CONDITIONS

- 13.1. The operating hours of the canteen will be from 07hrs to 16hrs, daily from Monday to Friday.
- 13.2. Operation of the canteen outside the normal hours shall be by special request and agreement between the Legislature and the contracted service provider.
- 13.3. The successful company must at all times be actively registered with the relevant professional industry bodies, e.g. Restaurant Association of South Africa, The Chefs Association of South Africa.
- 13.4. The contract includes the provision of additional equipment brought by the service provider for the effective delivery.



- 13.5. Provide enough equipment, cutlery and crockery at no additional cost to the Legislature
- 13.6. The contract includes provision of additional disposable containers needed for take away orders.
- 13.7. Preparation and serving of food and beverages must be of good, attractive and of high quality standards according to the acceptable food industry standards, in order to avoid health hazards.
- 13.8. The meals/beverages served must be of good, attractive and of high quality standards prepared from fresh raw materials in a clean and hygienic manner.
- 13.9. No food preparation other than specified will be allowed to take place on the premises.
- 13.10. The contracted service provider will be expected to cater for other dietary preferences, e.g. Halaal, upon request.
- 13.11. Comply with all the relevant legislation and applicable bargaining council agreements including the UIF, PAYE. Proof of compliance must be submitted to the Legislature thirty days after awarding of the contract.
- 13.12. Ensure that personnel working under this contract are in good health and pose no risk to anybody.
- 13.13. Ensure that a Medical First Aid Kit/ Box is available and kept on the site at all times, in case of medical emergencies.
- 13.14. Ensure that all personnel working under this contract are adequately trained prior to the commencement of the contract.
- 13.15. Provide personnel working under this contract with appropriate uniforms stating the name of the service provider and other adequate and appropriate Personal Protective Equipment and clothing. Uniforms must be worn at all times on the Legislature premises.
- 13.16. The successful bidder will be responsible for general cleanliness of the operational area and seating area at own costs, at all times.
- 13.17. Remove catering equipment and tidy at the end of the meetings and functions.
- 13.18. Remove all waste, wet and dry, from the canteen on a daily basis. Waste must be appropriately packaged in disposal/ refuse bags.
- 13.19. The contracted service provider shall maintain a stock of consumables in the stores, at their own risk. Occupational Health and Safety Act must be adhered to at all times.
- 13.20. The Legislature will not be liable for any loss or damage to the stock and equipment stored at the premises.
- 13.21. In case of meals being prepared off site, the Legislature reserves the right to inspect such facilities to ensure compliance with Occupational and Safety Act.
- 13.22. Constant or regular monitoring and evaluation of performance and adherence to acceptable catering services standards will be done by the Contract Administrator. Performance Reports will be compiled and submitted on a quarterly basis.

#### **14. PRICING**

- 14.1. The proposal must provide a breakdown of activities, indicate the number of personnel and their respective responsibilities and wages
- 14.2. Breakdown of personnel must include key positions like a manager, chefs, accounts and other admin staff and other personnel, according to the organogram to be submitted as part of the proposal.
- 14.3. The onsite manager must be available at all times
- 14.4. The number of personnel to be engaged in this contract will be determined by the bidder.
- 14.5. All contract prices will be fixed for the first twelve months. Price increases must be inflation related and can only be effected after agreement with the Legislature.

- 14.6. Price increases will be effected only one in twelve months for the duration of the contract.
- 14.7. Bid price must include VAT at 15%.
- 14.8. Pricing provided in the bid document will include labour/ preparation, disposable supplies provided, equipment, crockery and cutlery provided, maintenance, and profit.
- 14.9. The Legislature will pay the monthly management fee to contracted service provider. The fee paid will be for overheads and salaries to staff appointed on this contract. A proper breakdown of management fee must be provided by the bidder in the proposal, as part of the pricing structure.
- 14.10. The service provider must ensure that they comply with minimum wage requirements as prescribed by law and all other Labour related Legislation.

## **15. PAYMENTS**

- 15.1. Payments will be processed by the Legislature within thirty days after receipt of monthly invoices accompanied by the statement of account.
- 15.2. Staff meals will be billed monthly; invoices must be accompanied by all relevant documentation.
- 15.3. Orders for meals (catering for meetings) will only be confirmed by the service provider after receiving a written request from Branches, whereby the service provider will issue a written quotation, and a requisition and a purchase order will be approved and processed, prior to rendering of the service.
- 15.4. Invoices for catering for meetings must have a purchase order number as a reference to be approved for payment.
- 15.5. Menus and delivery times are to be included in the request for quotations as well as the quotation and purchase order
- 15.6. Invoices must have all the relevant information like date, no of attendants, type of meal served, purchase order, price and total etc.

## **16. EVALUATION CRITERIA**

- 16.1. The 80/20/ Point System to be used to evaluate the bid.
- 16.2. The bid will be evaluated at two stages, functionality and 80/20-point system in line with the PPPFA as amended. The total number of phases to complete the evaluation process will be as follows:

## **17. EVALUATION PHASES**

- 17.1. **Phase 1: Qualification**
- 17.2. Only bidders who qualify as EME or QSE status
- 17.3. The company must at least be 51% owned by black people,
- 17.4. Bidders must be BBBEE level 1,
- 17.5. Bidders must comply with the initial compliance verification
- 17.6. **Phase two: SCM Legal and Administrative Requirements**  
Bidders who have met the requirements of phase 1 will be carried through to be evaluated at this phase. The special bid conditions and standard bid requirements will be verified at this phase. All bid documentation must be signed by a duly authorised representative of the company. The required documentation are as follows:
  - (a) Signed Bid Documents
  - (b) Valid copy of BBBEE level certificate or Sworn Affidavit for exempted Micro Enterprises



- (c) Names and certified ID copies of employees assigned for this project
- (d) CV's and Qualifications of the Chef and Manager/Supervisor
- (e) CV's and copies of qualification of personnel
- (f) Certified ID copies of company owners
- (g) Company Registration Certificate, CK Document in full
- (h) Company Profile
- (i) Proof of registration with CSD
- (j) Copy of Tax Clearance Certificate and or SARS Pin Number
- (k) List of similar works or projects current and completed to demonstrate the bidder's experience. The list must indicate the type of project, duration, when awarded, value and number of people catered for.
- (l) Reference letters supporting the above
- (m) Valid proof of membership with relevant industry associations in South Africa
- (n) Proof of insurance with a reputable company

### 17.7. Phase 3: Functionality Evaluation

### 17.8. Functionality Evaluation Points

NO	TECHNICAL / FUNCTIONALITY REQUIREMENTS	WEIGHT	VALUES	SCORE
1.	<p><b>Company experience.</b>  <b>Company experience in undertaking similar projects</b> in the canteen and or catering environment. Please provide a list of reference letters with values and period of the projects undertaken by the bidder, from clients and their contacts details.</p> <p>0-2 years' experience = 5  2-5 = 15  6-8 = 20  8 and above = 30</p>	30		
2.	<p><b>Capacity and Resources</b>  The bidder must demonstrate capability by providing a list of equipment owned, to be used for the execution of the bid.  List completed and or current contracts with a minimum value of R250 000.00.</p> <p>R1m =30  R750 = 20  R500= 15  R250= 10</p>	30		
3.	<p><b>Experience of Key Personnel / Project Team</b>  Relevant experience and skills in catering and or canteen management. Please attach copies of CV's and Qualifications of the following key personnel:</p>	20		

	<p><b>(a) Manager/ Supervisor</b> At least two years catering experience, history of employment, qualifications contact details of previous employers. Recognized hospitality industry qualifications or Academic Qualifications from a recognized institution in catering, tourism, management, etc.</p> <p><b>(b) Qualified Chef</b> One year's relevant experience. Recognized hospitality industry qualifications or Academic Qualifications from a recognized institution in professional cooking, preparation and cooking of food. Proof of Registration with professional industry bodies.</p> <p><b>(c) Other Staff</b> Submit organogram with a list of positions and responsibilities, indicate how much will the person in each position earn and this must include the statutory deductions, UIF, PAYE etc. Wages to be in line with the minimum gazetted rates.</p>			
4	<p><b>Methodology</b> Attach a twenty-day menu plan for lunch including dessert, provide details of how the bid will be executed to meet timeless for meetings, resources and capacity available to execute the tender, provide knowledge of different cuisines, knowledge of cooking food preparation and storage, related industry regulations to be observed, display knowledge of different dietary requirements, etc.</p>	20		
	Total points	100		

17.9. Assessment of functionality with a minimum threshold of **60 %** must be attained by the bidder before the proposal can be taken to the next stage of the evaluation (obtaining 60% threshold means that the bidder is responsive but that has no bearing on the total points)

17.10. The Legislature reserves the right to conduct Site Inspections before and during the execution of the bid, to verify resources, personnel, equipment, etc.

#### **18. Phase 4: Evaluation on 80/20 Point System**

18.1. During this fourth phase bidders will be evaluated on price and BBBEE status level, where 80 points will be allocated for price and 20 points allocated for BBBEE status level. Bidders must qualify for all the three phases to be considered for this phase.

18.2. The bidder who is allocated the highest points at this stage will be awarded the bid.



**END OF DOCUMENT**



**NORTH WEST PROVINCIAL LEGISLATURE**  
**PILEDIWA E A LWELWA**

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) ☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) ☐ OR

A REGISTERED AUDITOR ☐

[TICK APPLICABLE BOX]

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED?

YES	NO
-----	----

(IF YES ENCLOSE PROOF)

**SIGNATURE OF BIDDER**

.....

**DATE**

.....

**CAPACITY UNDER WHICH THIS BID IS SIGNED**

..... **TOTAL**

**BID PRICE.....TOTAL NUMBER OF ITEMS OFFERED .....**

Failure on the part of the bidder to sign this tender form (SBD1) and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications in all respects, may invalidate the bid.

Bids should be submitted on the official forms and should not be qualified by the bidder's own conditions. Failure to comply with these requirements or to renounce specifically the bidder's own conditions of tender, when called upon to do so, may invalidate the bid.

**TERMS**

I/We hereby tender to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the Government of the Republic of South Africa on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of, and incorporated into, this bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.

I/We agree that -

The bid herein shall remain binding upon me/us and open for acceptance during the validity period indicated and calculated from the closing time of the tender;



**NORTH WEST PROVINCIAL LEGISLATURE**  
**PILEDIWA E A LWELWA**

If I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the State may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the State and I/we will then pay to the State any additional expense incurred by the State having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid, the State shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the State may sustain by reason of my/our default;

If my/our bid is accepted the acceptance may be communicated to me/us by letter or order by ordinary post or registered post and that SA Post Office Ltd shall be regarded as my/our agent, and delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;

The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose domicilium citandi et executandi in the Republic as indicated above.

I/We furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents; and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.

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

**North West Provincial Legislature's Contact Persons:**

Technical	: Ms. S Makgetla	@	018 392 7177
Bid Info	: Mr. T. Setuki	@	018 392 7300
	: Ms. B. Ditlhokwa	@	018 392 7274

I/We hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.



**NORTH WEST PROVINCIAL LEGISLATURE**  
**PILEDIWA E A LWELWA**

I/We agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me/us as a result of such action.

I/We declare that I/we have participation\*/no participation\* in the submission of any other bid for the supplies/services described in the attached documents. If in the affirmative, state names(s) of bidder(s) involved

.....

.....

I/We hereby declare that I/We have read and understand the above and agree to be bound by the stated terms and conditions.

Are you duly authorized to sign the bid? **YES/NO**





**NORTH WEST PROVINCIAL LEGISLATURE**  
**PILEDIWA E A LWELWA**

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the principal, or persons having a kinship with persons employed by the principal, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons employed by the principal, or to persons connected with or related to them, it is required that the bidder or his/her authorized representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- the bidder is employed by the principal; 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 Are you or any person connected with the bidder, employed by the principal?

- 2.1.1 If so, state particulars. YES / NO

- 2.2 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the principal and who may be involved with the evaluation and or adjudication of this bid?

- 2.2.1 If so, state particulars YES / NO

.....  
.....

- 2.3 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the principal who may be involved with the evaluation and or adjudication of this bid?

- 2.3.1 If so, state particulars:

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

DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.3.1 ABOVE IS  
CORRECT.

I ACCEPT THAT THE PRINCIPAL MAY 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

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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



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

SBD 3.2

**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)
<hr/>			
-	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

## A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$P_a$	=	The new escalated price to be calculated.
$(1-V)P_t$	=	85% of the original bid price. <b>Note that <math>P_t</math> must always be the original bid price and not an escalated price.</b>
$D_1, D_2, \dots$	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors $D_1, D_2, \dots$ etc. must add up to 100%.
$R_{1t}, R_{2t}, \dots$	=	Index figure obtained from new index (depends on the number of factors used).
$R_{1o}, R_{2o}$	=	Index figure at time of bidding.
$V P_t$	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

- Index..... Dated.....      Index..... Dated.....      Index..... Dated.....  
Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

- [illegible]

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

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

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

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

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



## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state\*, 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 a price quotation, advertised competitive bid, limited bid or proposal). 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 and/or take an oath declaring his/her interest, 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, shareholder etc): .....
  - 2.4 Company Registration Number: .....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....

\* "State" means –

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / shareholder/ member: .....  
Name of state institution to which the person is connected: .....  
Position occupied in the state institution: .....

Any other particulars:  
.....  
.....  
.....

2.8 Did you or your spouse, or any of the company's directors / 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

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the 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 /shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES / NO**

2.11.1 If so, furnish particulars:

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

**DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY 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



## ANNEXURE E.2

### PREFERENCE POINTS CLAIM FORM (SBD 6.1)

The form should be completed, signed and witnessed where indicated with the following amendments recorded and initialled.

Clause 1.2 (a) omit **Price** and add **Technical Proposal** and

Clause 1.3.1.1 Omit **Price** and add **Technical Proposal** 90

Clause 1.3.1.2 (b)

(ii) Total points for **price**, HDIs and other RDP goals must not exceed 100

To be amended to:

(ii) Total points for **technical proposal**, HDIs and other RDP goals must not exceed 100

4.2 Omit clause in entirety

5.1 Omit clause in entirety

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001

### PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for Historically Disadvantaged Individual (HDI) preference points as well as a summary for preference points claimed for attainment of other specified goals

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.**

#### 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 R500 000; and
- the 90/10 system for requirements with a Rand value above R500 000.

The value of this bid is estimated to exceed R500 000 and therefore the 90/10 system shall be applicable.

1.2 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific contract participation goals, as specified in the attached forms.

1.3.1 The points for this bid are allocated as follows:

### POINTS

1.3.1.1	PRICE	90
---------	-------	----

#### 1.3.1.2 SPECIFIC CONTRACT PARTICIPATION GOALS

(a) Historically Disadvantaged Individuals:

- |       |  |   |
|-------|--|---|
| (i)   | who had no franchise in national elections before the 1983 and 1993 Constitutions and/or | 5 |
| (ii)  | who is a female and/or   | 4 |
| (iii) | who has a disability   | 1 |

Total points for Price, HDIs and other RDP-goals must not exceed	100
--	-----

Separate Preference Points Claim Forms will be used for the promotion of the specific goals for which points have been allocated in paragraph 1.3.1.2 (b) above.

- 1.4 Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.
- 1.5 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. **GENERAL DEFINITIONS**
  - 2.1 "Acceptable bid" means any bid, which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.
  - 2.2 "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 works or services.
  - 2.3 "Comparative price" means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
  - 2.4 "Consortium or joint venture" means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
  - 2.5 "Contract" means the agreement that results from the acceptance of a bid by an organ of state.
  - 2.6 "Specific contract participation goals" means the goals as stipulated in the Preferential Procurement Regulations 2001.
    - 2.6.1 In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.
  - 2.7 "Control" means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
  - 2.8 "Disability" means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
  - 2.9 "Equity Ownership" means the percentage ownership and control, exercised by individuals within an enterprise.
  - 2.10 "Historically Disadvantaged Individual (HDI)" means a South African citizen
    - (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) ("the interim Constitution"); and/or
    - (2) who is a female; and/or
    - (3) who has a disability:

provided that a person, who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;
  - 2.11 "Management" means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.



- 2.12 "Owned" means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.13 "Person" includes reference to a juristic person.
- 2.14 "Rand value" means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.
- 2.15 "Small, Medium and Micro Enterprises (SMMEs)" bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).
- 2.16 "Sub-contracting" means the primary contractor's assigning or leasing or making outwork to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 2.17 "Trust" means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- 2.18 "Trustee" means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE

- 3.1 Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.
- 3.2 Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

### 4. ADJUDICATION USING A POINT SYSTEM

- 4.1 The bidder obtaining the highest number of points will be awarded the contract.
- 4.2 Preference points shall be calculated after prices have been brought to a comparative basis.
- 4.3 Points scored will be rounded off to 2 decimal places.
- 4.4 In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

**5. POINTS AWARDED FOR PRICE**

**5.1 THE 90/10 PREFERENCE POINT SYSTEMS**

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

**90/10**

$$Ps = 90 \left( 1 - \frac{Pt - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Rand value of bid under consideration

Pmin = Rand value of lowest acceptable bid

**6. Points awarded for historically disadvantaged individuals**

- 6.1 In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in that specific category

EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

- 6.2 Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.
- 6.3 Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
- 6.4 Listed companies and tertiary institutions do not qualify for HDI preference points.
- 6.5 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.
- 6.6 A person awarded a contract as a result of preference for contracting with, or providing equity ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

**7. BID DECLARATION**

- 7.1 Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

**8. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9.8.**

**Ownership**

- 8.1 Equity ownership by persons who had no franchise in the national elections
- 8.2 Equity ownership by women
- 8.3 Equity ownership by disabled persons

Percentage owned (to be completed by bidder)	claimed (to be completed by bidder)
%	
%	
%	

\*If points are claimed for disabled persons, indicate nature of impairment (see paragraph 2.8 above)

.....

**9. DECLARATION WITH REGARD TO EQUITY**

- 9.1 Name of firm : .....
- 9.2 VAT registration number : .....
- 9.3 Company registration number : .....

**9.4 TYPE OF FIRM**

Partnership  
 One person business/sole trader  
 Close corporation  
 Company  
 (Pty) Limited  
 [TICK APPLICABLE BOX]

**9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

**9.6 COMPANY CLASSIFICATION**

Manufacturer  
 Supplier



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



9.10 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The Equity ownership claimed is 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 paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
  - (a) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (b) 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;
  - (c) impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid; and

**WITNESSES:**

1. ....

.....

BIDDER(S)

SIGNATURE(S) OF

2. ....

DATE:.....

ADDRESS:.....

.....

.....

.....



## CONTRACT FORM - RENDERING OF SERVICES

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

#### WITNESSES

1 .....

2 .....

DATE: .....

**CONTRACT FORM - RENDERING OF SERVICES**  
**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1 .....

2 .....

DATE: .....

## CONTRACT FORM - SALE OF GOODS/WORKS

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

### PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from (name of institution)..... in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I undertake to make payment for the goods/works as specified in the bidding documents.
6. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
7. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2.	.....
DATE: .....	



# **CONTRACT FORM - SALE OF GOODS/WORKS**

## **PART 2 (TO BE FILLED IN BY THE SELLER)**

1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the purchase of goods/works indicated hereunder and/or further specified in the annexure(s).
2. I undertake to make the goods/works available in accordance with the terms and conditions of the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

### **WITNESSES**

1. ....

2. ....

DATE .....

## 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.	Yes <input type="checkbox"/>	No <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)? <b>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.</b>	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.4.1	If so, furnish particulars:
-------	-----------------------------

SBD 8

### CERTIFICATION

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

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

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of Bidder

Js365bW



**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 *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<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

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2

# 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](http://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 contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

**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.

- 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)