## PART A
### INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (THE HOUSING DEVELOPMENT AGENCY (HDA))**

**BID NUMBER**: HDA/KZN/2019/004  
**CLOSING DATE**: 20 APRIL 2020  
**CLOSING TIME**: 11:00

**DESCRIPTION**: DEVELOPMENT OF THE KWA-ZULU NATAL PROVINCIAL MULTI-YEAR HUMAN SETTLEMENTS DEVELOPMENT PLAN (MYHSDP) 2019-2024

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)**

**THE HOUSING DEVELOPMENT AGENCY (HDA)**

**BLOCK A, RIVIERA OFFICE PARK**

**6-10 RIVIERA ROAD**

**KILLARNEY, JOHANNESBURG**

### SUPPLIER INFORMATION

| NAME OF BIDDER |  |
| POSTAL ADDRESS |  |
| STREET ADDRESS |  |
| TELEPHONE NUMBER | CODE | NUMBER |
| CELLPHONE NUMBER |  |
| FACSIMILE NUMBER | CODE | NUMBER |
| E-MAIL ADDRESS |  |
| VAT REGISTRATION NUMBER |  |

| TCS PIN: | OR | CSD No: |

**B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]**

- [ ] Yes  
- [ ] No

**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)
- [ ] A REGISTERED AUDITOR

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

- [ ] Yes  
- [ ] No

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

- [ ] Yes  
- [ ] No

**[IF YES ENCLOSE PROOF]**

**ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS/SERVICES/WORKS OFFERED?**

- [ ] Yes  
- [ ] No

**[IF YES ANSWER PART B:3 BELOW]**

**SIGNATURE OF BIDDER**

| NAME: | DATE |

**CAPACITY UNDER WHICH THIS BID IS SIGNED (ATTACH PROOF OF AUTHORITY TO SIGN THIS BID; E.G. RESOLUTION OF DIRECTORS, ETC.)**

**TOTAL NUMBER OF ITEMS OFFERED**

**TOTAL BID PRICE (ALL INCLUSIVE)**

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

<table>
<thead>
<tr>
<th>DEPARTMENT/PUBLIC ENTITY</th>
<th>SCM</th>
<th>CONTACT PERSON</th>
<th>TECHNICAL INFORMATION MAY BE DIRECTED TO:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mxolisi Zondo</td>
<td>Mpho Motumi</td>
</tr>
<tr>
<td>CONTACT PERSON</td>
<td></td>
<td>TELEPHONE NUMBER</td>
<td>031 335 7300</td>
</tr>
<tr>
<td>TELEPHONE NUMBER</td>
<td></td>
<td>FACSIMILE NUMBER</td>
<td></td>
</tr>
<tr>
<td>FACSIMILE NUMBER</td>
<td></td>
<td>E-MAIL ADDRESS</td>
<td>Mpho <a href="mailto:Motumi@thehda.co.za">Motumi@thehda.co.za</a></td>
</tr>
<tr>
<td>E-MAIL ADDRESS</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1
PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. THE BID BOX IS GENERALLY OPEN DURING OFFICE HOURS, MONDAY TO FRIDAY, FROM 08H00 TO 16H00.

1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR ONLINE

1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.

1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.

1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.

2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.

2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.

2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?

3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?

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

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
REQUEST FOR PROPOSALS

Development of the Kwa-Zulu Natal Provincial Multi-Year Human Settlements Development Plan (MYHSDP) 2019-2024

HDA/KZN/2019/004

PROPOSALS TO BE SUBMITTED BY
NOT LATER THAN
11h00 20 APRIL 2020
1. INTRODUCTION

The Housing Development Agency (HDA) is a national public development agency established by an Act of Parliament (Act 23 or 2008). The HDA promotes sustainable integrated communities by making well-located land and buildings available for the development of housing and human settlements. As an organ of state, the HDA is accountable through its board to the Minister of Human Settlements. Visit www.thehda.co.za for more information.

As part of its legislative mandate, section 7 of the Housing Development Agency Act, (Act 23 of 2008) requires the Agency to, amongst others, undertake any processes relating to approvals required for housing development, prepare necessary documentation for consideration and approval by the relevant authorities, monitor progress of the development of immovable property acquired for the purposes of creating sustainable human settlements.

In Kwa-Zulu Natal, the HDA signed a Memorandum of Agreement with the Department of Human Settlements (KZN-DHS). One of the objectives in terms of the Operational Plan is to strengthen planning over the multi-year period for a more coordinated delivery and programme management. The multi-year planning approach further aims at ensuring that projects and programmes are aligned to national and provincial strategic objectives. Through the Multi-Year Human Settlements Development Plan (MYHSDP), the department will be provided with a supply chain of sequenced ready-to-implement projects and a basis for annual and mid-term budgetary allocations and expenditure, as well as sustainable delivery performance. To achieve this objective, the HDA intends to utilize services of relevantly qualified and experienced professional service providers to develop the MYHSDP that will be aligned with the new MTSF targets for 2019-2024.

2. BACKGROUND

The Multi-Year Human Settlements Development Plan (MYHSDP) is a spatial and fiscal planning document that is reviewed annually, it is aligned to the Medium-Term Strategic Framework 2019-2024 (MTSF). It forms part D of the Annual Performance Plan (APP) of the department and is a statutory requirement as set out in the Housing Act, 1997 (Act No 107 of 1997).

To guide provinces in the development of their MYHSDPs, the National Department of Human Settlements has developed and approved the framework for the development of the MYHSDPs for provinces. The development of the Kwa-Zulu Natal MYHSDP will be guided by the approved framework. A decision to develop the Provincial Human Settlements Development Plan was adopted at the KZN DHS Joint Strategic Planning workshop, that was held on 7 October 2019.

The Kwa-Zulu Natal Master Spatial Development Plan was completed and adopted. The plan has identified Key Focus Areas for prioritized investment based on housing needs and demands also the population and infrastructure capacity of those focus areas.

The plan provides for:

HDA/KZN/2019/004
• Consistent interpretation and application of principles and objectives across various scales;
• Consistent interpretation and application of detailed project level evaluation criteria;
• Broad commitment to spatial transformation of human settlement patterns;
• Long term commitment (beyond a single election cycle) to investment targeting;
• Full integration and alignment with spatial planning initiatives at provincial and municipal level;
• Establishment of the required institutional capacity for implementing human settlement spatial master plan at municipal level, including detailed spatial planning; and
• Commitment and support for land acquisition and release function of the HDA.

The Master Spatial Plan further proposes a model for land identification and prioritization. It has provided a horizon for land needs in each of the identified Focus Areas to the year 2030.

The intended Priority Human Settlements and Housing Development Areas (PHSHDAs) also termed as a spatial targeting mechanism at "neighbourhood(s) scale" for achieving spatial transformation. Aims to facilitate a multi-programme integration of 'land redevelopment and/or adjustment’s with particular focus on brownfields and infill projects while not excluding greenfields. The PHSHDAs premised on areas demonstrating a combination of:

• Areas with high growth and/or demand
• Areas with high economic opportunities and low supply of residential accommodation
• Opportunities for spatial transformation

The MTSF 2019-2024 APP target is that a total of 135 priority development areas shall be completed and declared by the Minister of the Department of Human Settlements. 58 priority development areas have already been identified and gazetted during May 2019, for public comments. Initially 6 of 58 development areas were identified within KZN Province and an additional 16 development areas were identified and a total of 22 development areas shall form part of the proposed KZN MYHSDP.

The vision for District Service Delivery Model is to have the District/Metro spaces that offer the appropriate scale and arena for intergovernmental planning coordination. The creation of developmental spaces (IGR Impact Zones) from the 44 Districts plus 8 Metros can be the strategic alignment platforms for all three spheres of government where One Plan for each space guides and directs all strategic investments and projects for transparent accountability. The said one plan is an Inter and intra governmental and society wide Social Compact, AND will be strategic and Long-Term in nature, with medium term strategic plans and short-term operational plans all expressing the commonly agreed diagnostics, strategies and actions.

The District Service Delivery Model has been endorsed and approved by the Joint Cabinet Committee on 21 August 2019 and the pilot phase also endorsed for the OR Tambo District Municipality for rural areas and in KZN, eThekwini Metropolitan Municipality is to be piloted as one of the eight metropolitan municipalities for urban areas. Furthermore, 3 of the 6 gazetted PHSHDAs in KZN, forms part of eThekwini Metropolitan Municipality.
3. OBJECTIVE

a. The objective of the consultancy is therefore to develop the Kwa-Zulu Natal Provincial Multi-Year Human Settlements Development for 2019–2024 period.

b. The second objective is to ensure that the Kwa-Zulu Natal Provincial Multi-Year Human Settlements Development Plan is aligned to the MTSF targets (2019-2024); the KZN Master Spatial Plan and the impact of the District Service Delivery Model while taking note of the proposed KZN PHSHDAs are to be well articulated on each of the eight sections detailed in the scope of work as well as to populate the attached Annexure A.

4. SCOPE OF WORK/ TASK

The scope of work for this assignment is guided by the approved Framework for the development and enhancement of the MYHSDP which contains the following 8 sections;

Section 1  Alignment to the Mandate
(a) List of documents used to develop the MYHSDP
(b) Provide a narrative on how the provincial MYHSDP is aligned to other plans i.e., KZN Master Spatial development Plan, Bulk Infrastructure Plans, Transport Plans, Human Settlements Sector Plans etc
(c) Strategies and programmes (currently used, planned or under development)
(d) Description of provincial long-term vision and key development needs

Section 2  Human Settlements and MTSF
(a) Narrative on the past 5 years performance of the Human Settlements environment
(b) Illustrate how the province will make the shift from current way of doing business to achieving a foundation for the transforming of the functioning of human settlement making to strengthen the space economy in the next 5 years
(c) Indicate the trends and demands for basic infrastructure, residential infrastructure, community social infrastructure, transportation and sustainable development

Section 3  MTSF Outcomes, Outputs and Impacts

Section 4  National focus areas as per the MTSF (New Targets for 2019-2024)
(a) Informal Settlement Upgrading
   o Identify Informal Settlements that will be assessed for upgrading to phase 2.
o How many households per Mining Town in the province will benefit from the Upgrading of Informal Settlements programme.

o How many households will benefit from the Upgrading of Informal Settlements programme.

o Illustrate the funding requirements required to address the Upgrading of Informal settlements over the 5-year period.

(b) Individual Housing

o Provide the targets, funding and Human Settlements Programme to illustrate where the province intends to develop housing opportunities for the subsidy housing sub-market over the next 5 years.

(c) Affordable Rental Housing

o Indicate what the province intends doing to develop Affordable Rental housing opportunities to fast track and ensure affordability and diversity of the rental housing market.

o Provide targets and location for the next 5-year period.

(d) Social Housing Support

o Where does the province intend to invest the Social Housing Capital grant and provide the funding requirements to do so.

(e) Community Residential Units Programme

o Demonstrate the 5-year plans for the creation of affordable rental housing opportunities through the implementation of the Community Residential programme.

(f) Back Yard Rental

o Demonstrate the 5-year plans (targets, funding and location) for the creation of affordable rental housing opportunities through the implementation of the Back Yard Rental Programme.

(g) Rural settlements shelter and basic services

o Indicate what strategies will assist in providing basic service to Rural settlements and the impact it would have.

(h) Peoples Housing Process.

o Demonstrate the 5-year plans (include targets, funding and location) for the creation of affordable rental housing opportunities through the implementation of the PHP.

o Indicate the PHP capacity required to support the Informal Settlement upgrading and enhancing the Rural housing.

(i) Details on the identification of the catalytic projects
(j) Title Deeds

- What does the province intent doing to address the title deeds backlog and measures to ensure that title deeds are registered in new developments?
- Provide the backlog number of title deeds per Housing Programme to be addressed.

Section 5  Land, Urbanization and Spatial Management

(a) Land

- Demonstrate how the province would fast track the release of well-located land for new developments targeting the poor and lower middle-income households.
- Provide the current settlement densities by location, demand for production of urban land by area, land use type, and cost availability and acquisition method.
- Indicate the role other institutions/stakeholders will be playing in the acquiring of well-located land and complete the table below.
- Indicate how the SPLUMA will assist in the fast tracking of the release of well-located land.

(b) Urbanisation

- Indicate mechanisms put in place to cope with urbanization,
- Reflect on elements critical for attaining sustainable Human Settlements.
- Make reference to initiatives that are in place to be geared for the creation of dignified places i.e. Alternative Technologies.

(c) Spatial Management

- Indicate how the province will support the development of hubs, nodes and linkages developed in historical black townships.
- Highlight key aspects relating to Special Economic Zones in the province.
- Methods to assist in the spatial social and economic integration initiatives to address previous social exclusion, by promoting a mix of race and classes through social cohesion.
- Initiatives taken to address apartheid-induced segregation, fragmentation and inequality.
- Indicate how the SPLUMA & HDA Act will assist in the fast-tracking delineation of areas of inclusionary housing.
Section 6  Funding Model and Options
  o Overview of financial allocations required to finance the implementation of the MYHSDP per annum over the next 5 years.
  o What amount of the HSDG Grant will be allocated to each of the Municipalities where applicable?
  o Indicate which housing programmes will be funded in the Municipalities and how it links to other grants or sources of funding.
  o Indicate the Housing Needs Data per municipality aligned to the HSDG allocation.
  o Profiling of each municipality including factors that drive socio-economic status

Section 7  Institutional and Financial
  o Description of the institutional arrangements required to give effect to the implementation of the MYHSDP.
  o What partnerships will be developed and with who.
  o Investment in public spaces

Section 8  Maps
  o Maps illustrating the spatial representation of the current situation and where the province intends to develop integrated human settlements over the next five years, taking in consideration the new demarcation of municipalities
  o Location of informal settlements
  o Spatial analysis demonstrating alignment between MYHSDP & other infrastructure plans.

5. OUTPUTS AND DELIVERABLES
In accordance with the relevant standards and procedures for professional practice, and contracted scope of work, the professional service provider will submit and make oral presentation on the following outputs and deliverables:

5.1 Inception Report.

The report must outline the agreed scope of methodology, process plan, expected outputs, deliverables and milestone/ timeframes, including detailed description of content and characteristics of each of the work outputs/ deliverables of task. An oral presentation of the inception report to client is required. A soft copy in word format and PDF as well as three (3) hard copies are required.

5.2 Status Analysis report and the provincial performance on MTSF 2014-2019
Settlements Development Plan 2014 - 2019

This report will address the human settlements status quo and the analysis of the provincial performance on MTSF period (2014-2019). It will include all necessary supporting maps, diagrams, and plans, quantitative and qualitative depictions. An oral presentation of the draft report to client is required. A soft copy in word format and PDF as well as three (3) hard copies are required.

HDA/KZN/2019/004
5.3 First Draft Multi-Year Human Settlements Development Plan 2019 - 2024

This report must contain the findings and analysis with preliminary conclusions, proposals and recommendations in respect to scope of work/ task section. The report shall include all necessary maps, diagrams, plans, quantitative and qualitative analyses and depictions. An oral presentation of the draft report to client is required. A soft copy in word format and PDF as well as three (3) hard copies are required. The report will be presented to the project steering committee.

5.4 Second draft Multi-Year Human Settlements Development Plan 2019 – 2024

This report will incorporate feedback and comments on the first draft, findings and analysis with preliminary conclusions, proposals and recommendations with respect to the scope of work/ task section. This report shall be shared with stakeholders in the province. It will include all necessary supporting maps, diagrams, and plans, quantitative and qualitative depictions. An oral presentation of the draft report to client and project steering committee is required. A soft copy in word format and PDF as well as three (3) hard copies are required.

5.5 A final draft Multi-Year Human Settlements Development Plan 2019 - 2024

This report will incorporate feedback and comments from all affected and interested parties. It will include all necessary supporting maps, diagrams, and plans, quantitative and qualitative depictions. An oral presentation of the final report to client is required. A soft copy in word format and PDF in 3 USBs as well as five (5) hard copies are required.

5.6 Project Closure Report

The close out report will include but not limited to the following:

- Approach and methodology
- Project Phasing
- Summary
- Minutes of meetings and attendance registers

Note: -

- The service provider must develop a detailed methodology on how each phase/milestone will be approached and the estimated time required.
- Where relevant, the information and findings must be accompanied by illustrations in graphical or tabular format.
- Ownership and publication of deliverables – the HDA will become the owner of all data collected, reports, unique indicators tailored for use by the HDA, furnished and/or compiled by the Service Provider during the course of and for the purposes of executing the project. To the extent that copyright in any intellectual property
compiled by the Service Provider during the course of and for purposes of the project vests with the Service Provider, such copyright will become the property of the HDA, unless otherwise agreed by the HDA in writing.

- On each reporting milestone, 4 hard copies will be submitted and soft copies (PDF, Microsoft word, PowerPoint presentations, excel etc.) in memory card/USB drive, all raw data must also be submitted. An oral presentation for each of the above outputs will be delivered to the client.

6. CONTRACT DURATION

The project should be completed within a period of **Nine (09) months.**

7. REQUIRED SKILLS

The skills and experience should demonstrate, amongst others the following:

- **Town Planners:** Town Planners should be lead consultants/project manager a registered professional planner with SACPLAN and with demonstrable skills and a proven track record of minimum 10 years of experience.
- **Technical professionals:** Engineers or Urban designers with demonstrable skills and a proven track record of minimum 10 years of experience.
- **Research, economic and statistical analysis:** Proven excellence in collection, compilation and management of data/information, research design and data analysis.
- **Social Scientists:** relevant experience in social facilitation, research/socio-economic analysis, surveys, local economic development.
- **GIS and mapping:** relevant experience in GIS and mapping is a requirement
- **Strategy:** Experience in strategy development, risk analysis and projections.
- **Policy:** Knowledge and understanding of human settlements policy and strategy (delivery model).
- **Financial:** Experience in financial analysis, financial projections and modelling.
- **Provide a list of project team members, their role in the project, skills, professional affiliations, years of experience and time allocated to the project.**

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

8. EVALUATION PROCESS

Bidders will be evaluated in two stages, mandatory compliance and functionality requirements and in terms of the prevailing supply chain policy applicable to the HDA.

The following functionality criteria will be used for evaluating the tender:

HDA/KZN/2019/004
a) The benchmark of minimum 70 points out of 100 points on technical functionality will be the cut off to qualify for further evaluation
b) Those that qualify will be assessed using the 80/20 formula for price and B-BBEE as per the PPPFA

9. MANDATORY COMPLIANCE REQUIREMENTS

It is important to note that the successful bidder will work under the supervision of an HDA representative, abide by HDA’s Code of Conduct, and other organisational guidelines.

Note: Failure to comply with the following requirement will automatically disqualify the bidder.

The bidder must submit the following documents / information together with the bid proposal;

9.1 CSD registration report (Registration with the National Treasury Central Supplier Database, if not yet registered use the following link to register: https://secure.csd.gov.za/)

9.2 Valid Tax Clearance. Where Consortiums, Joint Ventures or Sub-Contractors are involved each party must submit evidence of a separate Tax Clearance.

9.3 Valid and Original or Certified B-BBEE Status Level Verification Certificates issued by the following agencies SANAS, IRBA or CCA.

9.4 SBD Forms (SBD4, SBD6.1, SBD8 and SBD9) obtainable from HDA Website: www.thehda.co.za/procurement. Under compliance checklist.

9.5 Price proposals on all work to be done.

9.6 Valid SACPLAN, SAGC, SAICE membership is a requirement and any voluntary associations will be an added advantage

9.7 Service providers proven previous experience on the same area of expertise is mandatory

9.8 Proof of the service providers Professional Indemnity Insurance is compulsory

9.9 Financial analyst to do a cash flow analysis on various funding scenarios on capital investments

9.10 The following certificates / information may be provided with the bid proposal;

9.10.1 Company Registration Document (CIPC),
9.10.2 Copy of Certificate of Incorporation (if tenderer is a Company),
   e.g. CM1, CM29, or CM44,
9.10.3 Copy of Founding Statement (if tenderer is a Closed Corporation),
   e.g. CK1 or CK2,
9.10.4 Copy of Partnership Agreement (if tenderer is a Partnership),
9.10.5 Copy of Identity Document (if tenderer is a One-man concern).
### Table 1 - Functionality

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>WEIGHTING/POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lead Company profile</strong></td>
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</tr>
<tr>
<td>Qualifications and proof of registration with Professional bodies e.g.: SACPLAN etc</td>
<td>10</td>
</tr>
<tr>
<td>• Length of time in business (2)</td>
<td></td>
</tr>
<tr>
<td>• Work done previously in similar business (2)</td>
<td></td>
</tr>
<tr>
<td>• Proof of valid Professional Indemnity (2)</td>
<td></td>
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<tr>
<td>• Traceable references (2)</td>
<td></td>
</tr>
<tr>
<td>• All key personnel registered with relevant Professional bodies (2)</td>
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<tr>
<td><strong>Level of Experience</strong></td>
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<tr>
<td>• Individual Team members qualifications and related work experience in the geographical area of focus for this project (10)</td>
<td>50</td>
</tr>
<tr>
<td>• Town Planner (lead consultants/project manager) with 10 or more years' work experience in the development of MYHSDP and related professional field (10)</td>
<td></td>
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<tr>
<td>• GIS Specialist with 5 or more years' work experience (10)</td>
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<tr>
<td>• Technical professionals (Engineers/Urban Designer) with 5 or more years of work experience (10)</td>
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<tr>
<td>• Policy &amp; Strategy Developer with 5 or more years of human settlements policy work experience (10)</td>
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<tr>
<td><em>Valid registration certificates with the relevant council for each profession should be submitted.</em></td>
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<tr>
<td><strong>Skills Transfer</strong></td>
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<tr>
<td>Demonstration of how the service provider will do skills transfer to the designated HDI groups with BSc/BTech Town Planning/Urban Design/GIS and BSc/BTech Engineering</td>
<td>5</td>
</tr>
<tr>
<td><strong>Methodology</strong></td>
<td></td>
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<tr>
<td>Demonstrate a clear conceptual and project understanding, activity programme and realistic timeframes.</td>
<td>30</td>
</tr>
<tr>
<td>• Proposed approach, tools and expertise to undertake tasks (10)</td>
<td></td>
</tr>
<tr>
<td>• Proposed programme for the execution of the project and project plan (15)</td>
<td></td>
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</table>
Cost breakdown schedules with milestones clearly indicated (5)

Local Economic Participation
KwaZulu Natal Province (Provide proof of residence in KZN Province)
• The utility bill or lease agreement of the business must be supplied as proof of business location
• Recent municipal account or statement for both company and active directors (not older than 6 months)
Any other proof of ownership

TOTAL 100

*Proposals with a score below 5 will not qualify for functionality in this category, despite meeting any other qualifying criteria.

The following criteria will be used for point’s allocation for price and BEE compliance on an 80/20-point system:

Table 2 – Price and BBBEE

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>SUB-CRITERIA</th>
<th>WEIGHTING/POINTS</th>
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<tbody>
<tr>
<td>Price</td>
<td>Detailed Budget Breakdown</td>
<td>80</td>
</tr>
<tr>
<td>BBBEE Status Level Verification Certificate from accredited verification agencies.</td>
<td>BBBEE Level Contributor</td>
<td>20</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>100</td>
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</table>

NB: Service providers may be requested to clarify information in their proposal. This information must be supplied free of charge.

10. TERMS AND CONDITIONS

10.1. HDA undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.

10.2. No payment will be made where there is an outstanding information/work by the service provider/s.

10.3 Extension of contract validity period will be dealt with owing to its own merit and circumstances.
11. BID EVALUATION CRITERIA AND METHODOLOGY

11.1 The functionality of the bidder will be evaluated individually by members of Bid Evaluation Committee.

11.2 The proposal will be evaluated individually on score sheets, by a representative from the evaluation panel according to the evaluation criteria indicated above. All service providers who scores less than 70 points for functionality will not be considered further.

12. SUBMISSION OF PROPOSALS/TENDERS

13.1. Proposals/Tenders should be submitted in a sealed envelope clearly marked “HDA/KZN/2019/004: Development of the Kwa-Zulu Natal Provincial Multi-Year Human Settlements Development Plan (MYHSDP) 2019-2024”. Deposited in a tender box on or before the 20 April 2020 by no later than 11h00 to the following address:

The Tender Box
The Housing Development Agency
Block A, 6-10 Riviera Road,
Killarney,
2193,
Tel: 011 544 1000

13.2 Further information regarding technical matters can be sent an email to:
Mpho.Motumi@thehda.co.za or Tel: 031 335 7300

13.3. Further information regarding supply chain matter and queries can be send via email to:
Mxolisi.Zondo@thehda.co.za or Tel: 011 544 1000

The selection of the qualifying proposal will be at the HDA’s sole discretion. The HDA does not bind itself to accept any particular bid/proposal, and the HDA reserves the right not to appoint the service provider.
TAX CLEARANCE
Application for a Tax Clearance Certificate

Purpose
Select the applicable option: [ ] Tenders [ ] Good standing
If "Good standing", please state the purpose of this application

<table>
<thead>
<tr>
<th>Particulars of applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name/Legal name (Initials &amp; Surname or registered name)</td>
</tr>
<tr>
<td>Trading name (if applicable)</td>
</tr>
<tr>
<td>ID/Passport no</td>
</tr>
<tr>
<td>Income Tax ref no</td>
</tr>
<tr>
<td>VAT registration no 4</td>
</tr>
<tr>
<td>Customs code</td>
</tr>
<tr>
<td>Telephone no</td>
</tr>
<tr>
<td>E-mail address</td>
</tr>
<tr>
<td>Physical address</td>
</tr>
<tr>
<td>Postal address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars of representative (Public Officer/Trustee/Partner)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surname</td>
</tr>
<tr>
<td>First names</td>
</tr>
<tr>
<td>ID/Passport no</td>
</tr>
<tr>
<td>Telephone no</td>
</tr>
<tr>
<td>E-mail address</td>
</tr>
<tr>
<td>Physical address</td>
</tr>
</tbody>
</table>
**Particulars of tender** (if applicable)

Tender number

Estimated Tender amount

Expected duration of the tender

**Particulars of the 3 largest contracts previously awarded**

<table>
<thead>
<tr>
<th>Date started</th>
<th>Date finalised</th>
<th>Principal</th>
<th>Contact person</th>
<th>Telephone number</th>
<th>Amount</th>
</tr>
</thead>
</table>

**Audit**

Are you currently aware of any Audit investigation against you/the company? .......................... YES NO

If "YES" provide details

**Appointment of representative/agent (Power of Attorney)**

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Name of representative/agent

Date

**Declaration**

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Name of applicant/Public Officer

Date

**Notes:**

1. It is a serious offence to make a false declaration.

   (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
   (b) without just cause shown by him, refuses or neglects to-
       (i) furnish, produce or make available any information, documents or things;
       (ii) reply to or answer truly and fully, any questions put to him...

   As and when required in terms of this Act ..., shall be guilty of an offence ...

3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**

4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.
**PRICING SCHEDULE**

(Professional Services)

<table>
<thead>
<tr>
<th>NAME OF BIDDER:</th>
<th>BID NO.: HDA/KZN/2019/004</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLOSING TIME: 11:00</td>
<td>CLOSING DATE: 20 April 2020</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION</th>
<th>BID PRICE IN RSA CURRENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>(ALL APPLICABLE TAXES INCLUDED)</strong></td>
</tr>
</tbody>
</table>

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

<table>
<thead>
<tr>
<th>PERSON AND POSITION</th>
<th>HOURLY RATE</th>
<th>DAILY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

4. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

<p>| | | |</p>
<table>
<thead>
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</tbody>
</table>

5. Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**TOTAL: R_____________**

**"all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.**
5.2 Other expenses, for example accommodation (specify, e.g. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

TOTAL: R..........................

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*DELETE IF NOT APPLICABLE*

Any enquiries regarding bidding procedures may be directed to the –

Department: Supply Chain Management

Contact Person: Mr. Mxolisi Zondo

Tel: 011 544 1000

Or for technical information –

Department: KZN

Contact Person: Mpho Motumi

Tel: 031 335 7300
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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


1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2
a) The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

1.3 Points for this bid shall be awarded for:
(a) Price; and
(b) B-BBEE Status Level of Contributor.

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

<table>
<thead>
<tr>
<th></th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE</td>
<td></td>
</tr>
<tr>
<td>B-BBEE STATUS LEVEL OF CONTRIBUTOR</td>
<td></td>
</tr>
<tr>
<td>Total points for Price and B-BBEE must not exceed</td>
<td>100</td>
</tr>
</tbody>
</table>

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

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

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

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

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

(d) "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) "EME" means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(f) "functionality" means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) "prices" includes all applicable taxes less all unconditional discounts;

(h) "proof of B-BBEE status level of contributor" means:
   1) B-BBEE Status level certificate issued by an authorized body or person;
   2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
   3) Any other requirement prescribed in terms of the B-BBEE Act;

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

(j) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

\[
P_f = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_f = 90 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)
\]

Where

\[
\begin{align*}
P_s & = \text{Points scored for price of bid under consideration} \\
P_t & = \text{Price of bid under consideration} \\
P_{min} & = \text{Price of lowest acceptable bid}
\end{align*}
\]

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

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:
<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>Number of points (90/10 system)</th>
<th>Number of points (80/20 system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Non-compliant contributor</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

5. **BID DECLARATION**

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

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

6.1 B-BBEE Status Level of Contributor: ........................................(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. **SUB-CONTRACTING**

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

*(Tick applicable box)*

YES [ ] NO [ ]

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted........................................%

ii) The name of the subcontractor..........................................................................

iii) The B-BBEE status level of the subcontractor....................................................

iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

YES [ ] NO [ ]

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

<table>
<thead>
<tr>
<th>Designated Group: An EME or QSE which is at least 51% owned by:</th>
<th>EME</th>
<th>QSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black people</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Black people who are youth</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Black people who are women</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:

8.2 VAT number:

8.3 Company number:

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

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

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have —

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

<table>
<thead>
<tr>
<th>DESCRIPTION OF SERVICE</th>
<th>PRICE (ALL APPLICABLE TAXES INCLUDED)</th>
<th>COMPLETION DATE</th>
<th>B-BBEE STATUS LEVEL OF CONTRIBUTION</th>
<th>MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>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 <em>audi alteram partem</em> 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.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.1.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2</td>
<td>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.2.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3</td>
<td>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?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Item</td>
<td>Question</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------------------------------------------------------</td>
<td>-----</td>
<td>----</td>
</tr>
<tr>
<td>4.3.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>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?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.4.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CERTIFICATION

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

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

..........................................................  ..........................................................
SIGNATURE                                      DATE

..........................................................  ..........................................................
POSITION                                       NAME OF BIDDER
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Standard Bidding Document (SBD) must form part of all bids\(^1\) invited.

2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging)\(^2\). Collusive bidding is a **prescription** prohibition meaning that it cannot be justified under any grounds.

3. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
   a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4. This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5. In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

\(^1\) Includes price quotations, advertised competitive bids, limited bids and proposals.

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

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of ____________________________ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

(a) has been requested to submit a bid in response to this bid invitation;
(b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
(c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium3 will not be construed as collusive bidding.

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

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
THE NATIONAL TREASURY
Republic of South Africa

GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT

July 2010
NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.

1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 “Day” means calendar day.

1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.

1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.

1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 “Dumping” occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the
1.12 “Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such
obligations of the supplier covered under the contract.

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

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za.

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
   (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
   (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this 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
dems appropriate, goods, works or services similar to those undelivered,
and the supplier shall be liable to the purchaser for any excess costs for
such similar goods, works or services. However, the supplier shall
continue performance of the contract to the extent not terminated.

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

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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
(i) the name and address of the supplier and / or person restricted by the purchaser;
(ii) the date of commencement of the restriction
(iii) the period of restriction; and
(iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

34. Prohibition of Restrictive practices
34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.