

# THE HOUSING DEVELOPMENT AGENCY



## BID DOCUMENT

BID NO.: HDA/FS/2020/001

### APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP MUNICIPAL HOUSING SECTOR PLAN (MHSP) FOR MATJHABENG LOCAL MUNICIPALITY IN FREE STATE

**SUBMISSION DATE: 07 AUGUST 2020 @ 11:00**

TECHNICAL ENQUIRIES	BIDDING RELATED ENQUIRIES
<b>HDA FREE STATE</b>  Ms. Lieketseng Mapane – Project Manager – ISU  THE HOUSING DEVELOPMENT AGENCY FIRST FLOOR, SPITSKOP BUILDING NO. 86 KELLNER STREET WESTDENE BLOEMFONTEIN 9300  Tel: (051) 409 0220  E-mail: <a href="mailto:lieketseng.mapane@thehda.co.za">lieketseng.mapane@thehda.co.za</a>	<b>HDA HEAD OFFICE</b>  Ms. Jane Mahlangu – SCM Specialist  THE HOUSING DEVELOPMENT AGENCY BLOCK A, RIVIERA OFFICE PARK 6 – 10 RIVIERA ROAD KILLARNEY JOHANNESBURG 2193  Tel: (011) 544 1000  E-mail: <a href="mailto:jane.mahlangu@thehda.co.za">jane.mahlangu@thehda.co.za</a>

NAME OF BIDDER (BIDDING ENTITY) : \_\_\_\_\_

\_\_\_\_\_

TELEPHONE NUMBER : \_\_\_\_\_

E-MAIL ADDRESS : \_\_\_\_\_

BID AMOUNT : \_\_\_\_\_

## TABLE OF CONTENTS

HEADING NUMBER	HEADING	PAGE NUMBER
1.	Bid Notice and Invitation to Bid	2
2.	Evaluation of Bids	3
2.1.	Stage 1 – Pre-Qualification	3
2.2.	Stage 2 – Functionality	3
2.2.1.	Experience of the bidder	4
2.2.2.	Key Personnel Qualifications and Experience	4
2.2.3.	Methodology	5
2.3.	Stage 3 – Financial Offer and Preference Evaluation	6
3.	Returnable Documents	8
3.1.	Schedule A – Certificate of Authority of Signatory	9
3.2.	Schedule B – Company Registration Details	13
3.3.	Schedule C – Invitation to Bid (SBD 1)	14
3.5.	Schedule D – Declaration of Interest (SBD4)	16
3.6.	Schedule E – Preference Points Claim Form in terms of Preferential Procurement Regulations, 2017 (SBD 6.1)	19
3.7.	Schedule F – Declaration of Bidder’s past Supply Chain Management Practices (SBD 8)	24
3.8.	Schedule G – Certificate of Independent Bid Determination (SBD 9)	26
3.9.	Schedule H – Functionality evaluation: Related experience of bidder	29
4	Pricing Instructions	31
5	Activity Schedule	32
6	Scope of Works	33
6.1.	Introduction and Background	33
6.2.	Objective	33
6.3.	Locational Context	33
6.4.	Purpose	34
6.5.	Components of the Municipal Housing Sector Plan	34
6.6.	Guiding Principles	35
6.7.	Project Scope and Key Milestones	36
6.8.	Project Key Activities	36
6.9.	Required Experience, Qualifications and Skills	37
6.9.1.	Critical Skills required	37
6.9.2.	Core Competences required	37
7.	Project Duration	38
8	Deliverables and outputs	38

## 1. BID NOTICE AND INVITATION TO BID

The Housing Development Agency (HDA) is a National Public Development Agency that promotes the development of sustainable communities by making well-located land and buildings available for the development of housing and human settlements. For more information about the HDA, please visit our website [www.thehda.co.za](http://www.thehda.co.za).

The HDA hereby invites suitably qualified and reputable service providers to submit proposals for:

**CONTRACT NO: HDA/FS/2020/001**

### **APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP MUNICIPAL HOUSING SECTOR PLAN (MHSP) FOR MATJHABENG LOCAL MUNICIPALITY IN FREE STATE.**

Bid documents are obtainable from HDA Website ([www.thehda.co.za/tenders](http://www.thehda.co.za/tenders)) or National Treasury E-portal (<http://etenders.treasury.gov.za/>) from 20 July 2020. Completed bids, together with supporting documents must be placed in a bid box located at:

The HDA Head Office, Block A Riviera Office Park, 6 – 10 Riviera Road, Killarney, Johannesburg, Gauteng, not later than 11:00 on the 07 August 2020. Telegraphic, telephonic, telex, facsimile, e-mail and late proposal submissions will not be accepted.

This bid will be valid for a period of 90 days from date of closing.

**PLEASE NOTE:** The HDA will not be responsible to oversee that proposals sent by courier are placed in the Bid /Tender box.

**The assessment and evaluation of submitted proposals will undergo a process of Pre-Qualification and Evaluation Phase. Pre-qualification will be in accordance with the 2017 PPPFA Regulations, which organs of state can apply in order to advance designated groups and transformation. Only tenderers who meet the Pre-qualification criteria stipulated in the tender document will be considered for the Evaluation Phase. A tenderer that fails to meet Pre-qualification criteria will be regarded as an unacceptable tender.**

**Pre-qualification criterion which a tenderer must meet in order to be considered:**

- having a Level 1 – 3 status as a minimum B-BBEE Status Level of Contributor.

Bid related queries may be addressed to Ms. Jane Mahlangu via [Jane.Mahlangu@thehda.co.za](mailto:Jane.Mahlangu@thehda.co.za)

The HDA reserves the right to accept or reject any variation, deviation, tender offer or alternative tender offer and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The HDA will not incur any liability to a tenderer for such cancellation and rejection, but will give written reasons for such action upon request to do so.

## 2. EVALUATION OF BIDS

The bids will be evaluated in three (3) stages, namely:

- Stage 1: Pre-qualification
- Stage 2: Functionality
- Stage 3: Financial Offer and Preference Evaluation

### 2.1. STAGE 1: PRE-QUALIFICATION

Failure of the Bidder to submit or comply with the following will result in immediate disqualification:

- (i) Proof of a bidder having a Level 1 – 3 Status (original and valid or certified copy of B-BBEE certificate) as a minimum B-BBEE Status Level of Contributor. Only B-BBEE status level certificates issued by the following are valid:
  - Verification Agencies accredited by the South African National Accreditation System (SANAS), or;
  - Registered Auditors approved by the Independent Regulatory Board of Auditors (IRBA) in accordance with the approval granted by the Department of Trade and Industry.

Please note that a Joint B-BBEE Status Level Certificate, issued by the above-mentioned institutions, must be submitted for Joint Venture or Partnerships.
- (ii) Joint Venture Agreement and/or Power of attorney in case of Joint Ventures;
- (iii) Copy of Central Supplier Database (CSD) Report;
- (iv) Submit bid in the correct bid box;
- (v) Submit bid before closing date and time;
- (vi) The bidder or any of its directors must not listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- (vii) The bidder must not be in the service of the state.
- (viii) The bidder must not be an advisor or consultant contracted with the HDA in respect of contract that would cause a conflict of interest.

### 2.2. STAGE 2: FUNCTIONALITY

Functionality of responsive bids submitted will be evaluated according to the predetermined criteria described below, considering, among other factors, the quality, reliability, the technical capacity and ability of a Bidder. A Bid will not be evaluated further if it fails to meet the minimum threshold of total 70 points out of maximum 100 points for functionality as prescribed in the following tables:

CATEGORY	FUNCTIONAL CRITERIA	POINTS ALLOCATION
i	Experience of the bidder	30
ii	Key personnel qualifications and experience	30
iii	Methodology	40
<b>TOTAL POINTS</b>		<b>100</b>

### 2.2.1.EXPERIENCE OF THE BIDDER (COMPANY) (30 POINTS)

The Bidder must submit proof of successfully completed similar and comparative projects, i.e. **Development of Municipal Sector Plans (e.g. Housing Sector Plan, Spatial Development Framework, Integrated Development Plan, Water Services Development Plan and Local Economic Development Strategy)**, by attaching copies of appointment letter and Employer's Reference Letter for each completed project.

TARGETED GOALS	POINTS ALLOCATION
Bidder has submitted inadequate or no information to determine points to be allocated	0
Bidder has submitted copies of appointment letter and Employer's Reference Letter for 1 successfully completed similar project	10
Bidder has submitted copies of appointment letter and Employer's Reference Letter for 2 successfully completed similar projects	20
Bidder has submitted copies of appointment letter and Employer's Reference Letter for 3 successfully completed similar projects	30

### 2.2.2.KEY PERSONNEL QUALIFICATIONS AND EXPERIENCE (30 POINTS)

The Bidder must submit Proposed Team Structure, identifying **Project Manager, Project Coordinator and Project Administrator** as key personnel. The Project Team should possess the following qualifications as indicated in the table below:

KEY PERSONNEL	QUALIFICATIONS
Project Manager	A Post Graduate Degree in one or more of the following: Social and Human Sciences, Town and Development Planning, Economics, Finance, Project and Programme Management, Research and Data Analysis Strategic Planning, Governance and Policy, Law
Project Coordinator	An Under Graduate Degree in one or more of the following: Social and Human Sciences, Town and Development Planning, Economics, Finance, Project and Programme Management, Research and Data Analysis Strategic Planning, Governance and Policy, Law
Project Administrator	National Diploma in: Office/General Administration

Copies of CVs and certificates for each key personnel must be attached for determination of points to be allocated as per the table below:

KEY PERSONNEL	TARGETED GOALS	POINTS ALLOCATION
Project Manager	Inadequate or no information submitted to determine points to be allocated or a CV of Project Manager with less than 5 years of relevant experience in Project Management or no Post Graduate Degree (certified copy of certificate) submitted	0
	A CV of Project Manager with 5 to 10 years of relevant experience in Project Management and Post Graduate Degree (certified copy of certificate) submitted	5
	A CV of Project Manager with more than 10 years of relevant experience in Project Management and Post Graduate Degree (certified copy of certificate) submitted	10

Project Co-ordinator	Inadequate or no information submitted to determine points to be allocated or a CV of Project Co-ordinator with less than 3 years of relevant experience in Project Co-ordination or no Under Graduate Degree (certified copy of certificate) submitted	0
	A CV of Project Co-ordinator with 3 to 5 years of relevant experience in Project Co-ordination and Under Graduate Degree (certified copy of certificate) submitted	5
	A CV of Project Manager with more than 5 years of relevant experience in Project Co-ordination and Under Graduate Degree (certified copy of certificate) submitted	10
Project Administrator	Inadequate or no information submitted to determine points to be allocated or a CV of Project Administrator with less than 3 years of relevant experience in Project Administration or no National Diploma (certified copy of certificate) submitted	0
	CV of Project Administrator with 3 to 5 years of relevant experience in Project Administration and National Diploma in (certified copy of certificate) submitted	5
	CV of Project Administrator with more than 5 years of relevant experience in Project Administration and National Diploma in (certified copy of certificate) submitted	10

### 2.2.3.METHODOLOGY

The methodology must respond to the scope of work and outline the proposed approach and work plan complete with time frames. The methodology must clearly outline how the following aspects of the project will be carried out and/or achieved:

- i. Work program
- ii. Allocation of resources and tasks
- iii. Meeting deliverables and timeframes
- iv. Close-out

The scoring of the methodology will be as follows:

TARGETED GOALS	POINTS ALLOCATION
The Methodology does not cover any of the aspects listed above	0
The Methodology does cover some of the aspects listed above	20
The Methodology covers all of the aspects listed above	40

### 2.3. STAGE 3: FINANCIAL OFFER AND PREFERENCE EVALUATION

All responsive bids that qualify by meeting the minimum thresholds for functionality are then evaluated on the basis of price and preference in accordance with the 2017 Regulations of the Preferential Procurement Policy Framework Act No. 5 of 2000. The points scored for functionality are not carried over or considered in the calculation of the Financial and Preference evaluation.

- (1) The following formula will be used to calculate the points out of 80 for price in respect of a tender value, inclusive of all applicable taxes:

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

Where

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration, and;

$P_{\min}$  = Price of lowest acceptable tender.

- (2) The following table must be used to calculate the score out of 20 for BBEE:

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

- (3) A tenderer must submit proof of its B-BBEE status level of contributor.
- (4) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified, but:
- (a) may only score points out of 80 for price, and;
  - (b) scores 0 points out of 20 for B-BBEE.
- (5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.
- (6) The points scored by a tenderer for B-BBEE in terms of sub-regulation (2) must be added to the points scored for price under sub-regulation (1).
- (7) The points scored must be rounded off to the nearest two decimal places.
- (8) Subject to sub-regulation (9) and regulation 11, the contract must be awarded to the tenderer scoring the highest points.
- (9) (a) If the price offered by a tenderer scoring the highest points is not market related, the organ of state may not award the contract to that tenderer.

(b) The organs of state may

(i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;

(ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;

(iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.

(c) If a market-related price is not agreed as envisaged in paragraph (b)(iii), the organ of state must cancel the tender.



### 3. RETURNABLE DOCUMENTS

The Bid Document must be submitted as a whole. All forms must be properly completed as required and the document shall not be taken apart or altered in any way whatsoever.

All forms must be duly completed in **Black Ink** as required.

The list of returnable documents, which consists of forms and schedules to be completed and company specific certificates and information pages to be attached, comprise the following:

- Schedule A : Certificate of Authority of Signatory
- Schedule B : Company Registration Details
- Schedule C : Invitation to Bid (SBD 1)
- Schedule D : Declaration of Interest (SBD4)
- Schedule E : Preference Points Claim Form in terms of Preferential Procurement Regulations, 2017 (SBD 6.1)
- Schedule F : Declaration of Bidder's past Supply Chain Management Practices (SBD 8)
- Schedule G : Certificate of Independent Bid Determination (SBD 9)
- Schedule H : Functionality evaluation related experience of bidder

### 3.1. SCHEDULE A: CERTIFICATE OF AUTHORITY FOR SIGNATORY

Indicate the status of the Bidder by ticking the appropriate box hereunder. The Bidder must complete the certificate set out below for the relevant category.

(I) COMPANY	(II) PTY (LTD)	(III) JOINT VENTURE	(IV) PARTNERSHIP	(V) SOLE PROPRIETOR

Signatories for Companies, PTY (LTD), Partnerships, Joint Ventures or Sole Proprietors must establish their authority thereto by attaching a copy of the relevant resolution of their Board of Directors, Members or Partners duly signed and dated.

#### (I) CERTIFICATE FOR COMPANY

I, \_\_\_\_\_ chairperson of the Board of

Directors of \_\_\_\_\_,

hereby confirm that by resolution of the Board (copy attached) taken on \_\_\_\_\_ 20\_\_\_\_,

Mr/Ms \_\_\_\_\_

acting in the capacity as \_\_\_\_\_,

is authorized to sign all documents in connection with the Bid No.: HDA/FS/2020/001, and any contract resulting from it, on behalf of the company.

Chairman : \_\_\_\_\_

Witness (1) : \_\_\_\_\_ Witness (2) : \_\_\_\_\_

**(II) CERTIFICATE FOR PTY (LTD)**

We, the undersigned, being the key members in the business trading as

\_\_\_\_\_

hereby authorise Mr/Ms \_\_\_\_\_,

acting in the capacity of \_\_\_\_\_

to sign all documents in connection with the Bid No.: HDA/FS/2020/001, and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**Note: This certificate is to be completed and signed by all key members upon whom rests the directions of the affairs of the Close Corporation as a whole.**

**(III) CERTIFICATE JOINT VENTURE**

We, the undersigned, are submitting this Bid in Joint Venture and hereby authorize

Mr/Ms \_\_\_\_\_,

authorized signatory of the Joint Venture \_\_\_\_\_

\_\_\_\_\_ acting in the capacity of lead partner, to sign all documents in connection with the

Bid No.: HDA/FS/2020/001 and any contract resulting from it, on our behalf. This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	DULY AUTHORISED SIGNATORY
		Name
		Signature
		Designation
		Name
		Signature
		Designation
		Name
		Signature
		Designation

**Note: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.**

**(IV) CERTIFICATE FOR PARTNERSHIP**

We, the undersigned, being the key partners in the business trading as \_\_\_\_\_

\_\_\_\_\_

hereby authorise Mr/Ms \_\_\_\_\_

acting in the capacity of \_\_\_\_\_

to sign all documents in connection with the Bid No.: HDA/FS/2020/001 and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**Note: This certificate is to be completed and signed by all key members upon whom rests the direction of the affairs of Partnership as a whole.**

**(V) CERTIFICATE FOR SOLE PROPRIETOR**

I, \_\_\_\_\_

hereby confirm that I am the sole owner of the business trading as \_\_\_\_\_

\_\_\_\_\_

Signature of Sole Owner : \_\_\_\_\_

Date : \_\_\_\_\_

Witness (1) : \_\_\_\_\_

Witness (2) : \_\_\_\_\_

**3.2. SCHEDULE B: COMPANY REGISTRATION DETAILS**

The Bidder must provide Company Registration details on the space provided below and attach Certificates as proof of Registration.

NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

COMPANY REGISTRATION NUMBER : \_\_\_\_\_

NO. OF DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

The space below must be used in the case of Joint Venture or partnership.

1. NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

CO. REGISTRATION NUMBER : \_\_\_\_\_

NO. DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

2. NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

CO. REGISTRATION NUMBER : \_\_\_\_\_

NO. DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

3. NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

CO. REGISTRATION NUMBER : \_\_\_\_\_

NO. DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

4. NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

CO. REGISTRATION NUMBER : \_\_\_\_\_

NO. DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

5. NAME OF COMPANY : \_\_\_\_\_  
\_\_\_\_\_

CO. REGISTRATION NUMBER : \_\_\_\_\_

NO. DIRECTORS/SHAREHOLDERS : \_\_\_\_\_

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (THE HOUSING DEVELOPMENT AGENCY (HDA))</b>					
<b>BID NUMBER:</b>	HDA/FS/2020/001	<b>CLOSING DATE:</b>	07 August 2020	<b>CLOSING TIME:</b>	11:00
<b>DESCRIPTION</b>	APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP MUNICIPAL HOUSING SECTOR PLAN (MHSP) FOR MATJHABENG LOCAL MUNICIPALITY IN FREE STATE.				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
<b>SUPPLIER INFORMATION</b>					
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]		<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?		<input type="checkbox"/> No			<input type="checkbox"/> No
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
		<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
		<input type="checkbox"/>	A REGISTERED AUDITOR		
			NAME:		
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs&amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]			[IF YES ANSWER PART B.3 BELOW ]	
SIGNATURE OF BIDDER				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:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/ PUBLIC ENTITY			CONTACT PERSON		
CONTACT PERSON			TELEPHONE NUMBER		
TELEPHONE NUMBER			FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS		
E-MAIL ADDRESS					

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>	
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.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.2.	DOES THE BIDDER HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.3.	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4.	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
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.**



### 3.4. SCHEDULE D: DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state\*, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1. Full Name of bidder or his or her representative: .....

2.2. Identity Number: .....

2.3. Position occupied in the Company (director, shareholder etc.): .....

2.4. Company Registration Number: .....

2.5. Tax Reference Number: .....

2.6. VAT Registration Number: .....

---

\* "State" means –

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / shareholder/ member: .....

Name of state institution to which the person is connected: .....

Position occupied in the state institution: .....

Any other particulars:

.....

.....

.....

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

2.8.1 If so, furnish particulars:

.....

.....

.....

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

2.9.1 If so, furnish particulars.

.....

.....

.....

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

2.10.1 If so, furnish particulars.

.....

.....

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

2.11.1 If so, furnish particulars:

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

**3. Full details of directors / trustees / members / shareholders.**

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

**4. DECLARATION**

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

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

I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder

### 3.5. SCHEDULE E: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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

#### 1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable;

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
<b>PRICE</b>	
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor (certified copy of certificate), together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed. Only B-BBEE status level certificates issued by the following are valid:

- Verification Agencies accredited by the South African National Accreditation System (SANAS), or;
- Registered Auditors approved by the Independent Regulatory Board of Auditors (IRBA) in accordance with the approval granted by the Department of Trade and Industry.

Please note that a Joint B-BBEE Status Level Certificate, issued by the above-mentioned institutions, must be submitted for Joint Venture or Partnerships.

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 PREFERENCE POINT SYSTEMS

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

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

Where

$P_s$  = Points scored for price of tender under consideration;

$P_t$  = Price of tender under consideration, and;

$P_{\min}$  = Price of lowest acceptable tender.

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

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

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

**5. BID DECLARATION**

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

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

- 6.1 B-BBEE Status Level of Contributor: = (maximum of 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate

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

**(Tick applicable box)**

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

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

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

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

8.1 Name of Company/Firm: .....

8.2 VAT Registration Number: .....

8.3 Company Registration Number: .....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One Person Business/Sole Propriety
- Close Corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional Service Provider
- Other Service Providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

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

**WITNESSES**

1. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

2. ....

DATE .....

ADDRESS .....

.....

.....



### 3.6. SCHEDULE F: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Standard Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>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?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>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.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

Js365bW

**4.8. SCHEDULE G: CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1. This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging)<sup>2</sup>. Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.
3. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
4. This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging. 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

---

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience, and;
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

---

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

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**

**Js914w 2**

**4.9. SCHEDULE H: FUNCTIONALITY EVALUATION RELATED EXPERIENCE OF BIDDER**  
**(NB: This schedule is used in evaluating Functionality)**

The Bidder shall list below or in a separate schedule a statement of those works/services of similar nature, i.e. **Development of Municipal Sector Plans (e.g. Housing Sector Plan, Spatial Development Framework, Integrated Development Plan, Water Services Development Plan and Local Economic Development Strategy)**, which they have satisfactorily completed in the past five years. Information must be provided in the format provided below. It is essential that telephone contact details of references be supplied.

**Please Note** : Copies of Appointment Letter and the Employer’s Reference Letter for Each project must also be attached as proof.

PROJECT NAME	PROJECT VALUE	COMPLETION DATE	CONTACT PERSON

**NB:** Please attach separate page if space provided is not sufficient

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
 (Authorised Person)

**KEY PERSONNEL QUALIFICATION AND EXPERIENCE**  
**(NB: This schedule is used in Evaluating Functionality)**

The Bidder must submit Proposed Team Structure, identifying **Project Manager, Project Co-ordinator and Project Administrator** as key personnel available to work on the project.

The Bidder shall list below the key personnel to be used on this project.

<b>NAME</b>	<b>POSITION</b>	<b>QUALIFICATIONS</b>	<b>YEARS OF EXPERIENCE</b>
	Project Manager		
	Project Co-ordinator		
	Project Administrator		

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Authorised Person)

## 5. PRICING INSTRUCTIONS

The Bidder must take note of the following Pricing Instructions when completing the Activity Schedule:

- The Bidder must study or refer to Scope of Works when completing the Activity Schedule.
- The Bidder is to allocate a maximum lump sum bid to each item in the Activity Schedule.
- The bidder to submit Project Implementation Plan with cost breakdowns that outline how the project will be executed.
- Activities must be completed to the satisfaction of the client and invoiced on completion of each activity.
- The bid and the total price for each activity may not be exceeded.
- The amounts inserted in the Activity Schedules are deemed to include for all expenses, costs, profit, general obligations etc., necessary to carry out the professional services described in the various documents.
- Amounts due to the Service Provider shall be paid by the client within thirty (30) days of receipt of correct or corrected relevant invoices.
- The Client reserves the right, by giving written notice to the Bidder, to stop the progress of a project stage at any time. Should the Client exercise this right, the client will pay the Bidder for work done and expenses incurred only up to the time that the notice was given.



## 6. ACTIVITY SCHEDULE

The activity schedules must be completed in full and all expected costs must be reflected including all costs, expenses and disbursements all as described in the pricing instructions. Please refer to the Scope of Works when completing the schedule.

The table below outlines project phases and milestones and should be used as a guide for pricing of the project:

PHASES	MILESTONES	BUDGET
<b>Phase 1:</b> Project Inception & Team establishment	Project Inception report Formal communication to project teams & Municipal responses approved by the relevant authority	10%
<b>Phase 2:</b> Desktop research, consolidation and strategic analysis of relevant information	Report re: analysis of information collated and gaps identified	15%
<b>Phase 3:</b> Stakeholder engagement	Stakeholder consultation report	15%
<b>Phase 4:</b> Municipal Housing Sector Plan development	As stipulated above-Municipal Housing Sector Plan and Housing Chapter of the IDP for Matjhabeng Local Municipality	40%
<b>Phase 5:</b> Close Out	Close Out Report	20%

## FEE STRUCTURE

Please complete the table below by providing amount for each phase as elaborated above:

ITEM	BUDGET (%)	AMOUNT
Phase 1	10	
Phase 2	15	
Phase 3	15	
Phase 4	40	
Phase 5	20	
	<b>Sub-Total</b>	
	<b>Vat @ 15%</b>	
	<b>TOTAL</b>	

NAME OF BIDDER : \_\_\_\_\_

AUTHORIZED SIGNATURE : \_\_\_\_\_

DATE : \_\_\_\_\_

## **7. SCOPE OF WORK**

### **7.1. INTRODUCTION AND BACKGROUND**

The Housing Development Agency (HDA) is a national public development agency established by an Act of Parliament (Act 23 of 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](http://www.thehda.co.za) for more information.

The HDA Free-State office has signed an implementation protocol with the Department of Human Settlements, Free State. One of the objectives in the Medium Term Operational Plan is to advise the Department on strategies that will strengthen intergovernmental relations with Municipalities within the Province, and human settlements planning and programming in response to growth, backlogs and opportunities. One of the key programmes in the Free-State is the Municipal Accreditation Programme. The Free-State Government has prioritised five (5) Municipalities to have level 1 accreditation to perform housing functions.

Municipal accreditation has been emphasised as a key Government priority in support of more effective and efficient human settlements delivery. The programme is an instrument to ensure the progressive capacitation of municipalities in order for them to perform the assigned function without compromising delivery capacity in the short term.

Against this background, more work still needs to be done in order to ensure that the provinces and municipalities are capacitated towards delivery of human settlements functions.

One of those critical components that unlock the accreditation process is the existing or potential capacity of the municipality to develop and implement the accreditation business plan for Level 1 that the prioritised municipalities wishes to be considered for. This will be realised as a prerequisite to develop certain documents on behalf of the Province and municipalities.

### **7.2. OBJECTIVE**

Matjhabeng Local Municipality is not in a possession of a Housing Sector Plan.

It is against the above that the HDA requires the services of a qualified and experienced service provider to assist the Free State Provincial Department of Human Settlements (FSHS) with the development of a Municipal Housing Sector Plan (MHSP) for Matjhabeng Local Municipality, which will be part of the Municipal Integrated Development Plan (IDP).

It is important to further note that, in line with the Accreditation Framework 2012, Level One accredited municipalities must develop their Municipal Housing Sector Plan (MHSP), which identify specific programmes and projects to be undertaken within the MTEF in their municipal area. Municipalities accredited at Level One must submit a Municipal Housing Sector Plan, that addresses the specific human settlements projects and budget that will be administered on behalf of province to the MEC for approval.

### **7.3. LOCATIONAL CONTEXT**

The Matjhabeng Local Municipality (MLM) is a Category B municipality situated in the Lejweleputswa District in the Free State. It is bound by Nala to the north, Masilonyana to the south, Tswelopele to the east and Moqhaka to the west. It is one of five municipalities in the district. Matjhabeng LM represents the hub of mining activity in the Free State Province.

According to the Matjhabeng LM Housing Market Overview Human Settlements Mining Town Intervention 2008 – 2013, the following are some of the key findings related to the housing market:

- Matjhabeng LM's housing market has experienced downward growth after three years of steady growth;
- Matjhabeng LM's affordability ratio is 1.4 and is below the national average of 3 and the mining town average of 2.8;
- 26% of the properties in Matjhabeng LM are Government-sponsored. These properties have high percentages of equity;
- There has been notable sales activity throughout the municipality but properties are generally transacting below their value;
- Matjhabeng LM has experienced an incremental increase in lending from all lenders, including non-traditional lenders;
- The opportunity for rental housing development within Matjhabeng LM is strong within specific areas, enhanced by the high number of informal settlements and the high rental percentages by mine employees.



[https://municipalities.co.za/img/maps/lejweleputswa\\_district\\_municipality.png](https://municipalities.co.za/img/maps/lejweleputswa_district_municipality.png)

#### 7.4. PURPOSE

The main purpose of a Municipal Housing Sector Plan (MHSP) is as follows:

- To ensure the effective allocation of limited resources;
- To provide a formal and practical method of prioritizing human settlements projects and obtaining political consensus for the sequencing of the implementation; and
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.

#### 7.5. COMPONENTS OF THE MUNICIPAL HOUSING SECTOR PLAN

##### Analysis

- Human Settlements related results from the IDP analysis phase.
- Overview of critical challenges facing human settlements sector in general.

- Determine and identification of human settlements backlog and the need.
- Trend analysis in terms of current and future spatial distribution of economic activities based on migration pattern, demographics and age.

### **Strategy**

- Indicate IDP objectives and strategies relate to human settlements, spatially, economically, environmentally, infrastructural and socially;
- How the human settlements objectives and strategies will address the IDP objectives and strategies;
- Identified housing supply options. This should include the negotiated supply objectives or goals as referred to in the Housing Act; and
- Negotiated supply strategies which should complement the IDP development strategies.

### **Projects**

- Basic information on the prioritised IDP human settlements projects and informal settlements.
- Projects objectives, description and indicators, national human settlements subsidy programme, target groups, spatial location, major activities, estimated timeframes for implementation, implementation agencies, preliminary capital and operational budget implications and source of finance;
- Bulk infrastructure availability, carrying capacity and lifespan.

### **Integration**

- Confirmed priority human settlements projects and their relationship to the IDP objectives and strategies;
- Clarify integration through preliminary assessment of social, economic, environmental, infrastructural and the spatial feasibility of human settlements projects;
- Clarify the coordination of the human settlements projects funding with the five-year financial plan and capital investment programme of the IDP;
- Compile a detailed action plan for delivery including all the human settlements projects and municipal institutional arrangements.

### **Approval**

- Facilitate a process for approval by the respective Municipal Councils.

## **7.6. GUIDING PRINCIPLES**

The Housing Sector Plan should give effect to the following key principle in respect of housing development:

- Human Settlements should be provided closer to employment opportunities;
- Human Settlements development should provide wider choice with regard to type of house, materials, tenure, etc.;
- Human Settlements development should take measures not to harm the environment;
- Housing should be prioritized to the poorest of the poor;
- The special housing needs of the disabled and HIV/AIDS victims should be addressed;
- Houses should be designed in a manner that accommodates future extensions;
- Promote higher density in respect of human settlements development to ensure the economical utilization of land and services;
- Human Settlements development should be based on integrated development planning.
- Promote racial, social, economic and physical integration in urban and rural areas;

- Human Settlements development should be administered in a transparent, accountable and equitable manner and uphold the practice of good governance;
- Promote education and consumer protection in respect of human settlements development;
- Promote the establishment of socially and economically viable communities and safe and healthy conditions to ensure the elimination of slums;
- Facilitate the active involvement of all relevant stakeholders in housing development; and
- Provide community and recreational facilities in residential areas.

## 7.7. PROJECT SCOPE AND KEY MILESTONES

The table below outlines project phases and milestones:

Phases	Milestones	Budget
Phase 1: Project Inception & Team establishment	Project Inception report Formal communication to project teams & Municipal responses approved by the relevant authority	10%
Phase 2: Desktop research, consolidation and strategic analysis of relevant information	Report re: analysis of information collated, and gaps identified	15%
Phase 3: Stakeholder engagement	Stakeholder consultation report	15%
Phase 4: Municipal Housing Sector Plan development	Draft Municipal Housing Sector Plan for Matjhabeng Local Municipality	40%
Phase 5: Close Out	Final Municipal Housing Sector Plan for Matjhabeng Local Municipality and Close Out Report	20%

## 7.8. PROJECT KEY ACTIVITIES

In line with the above-mentioned project scope, the professional service provider will be expected to perform the following activities:

- Assist the Province and municipalities with a comprehensive analysis human settlements challenges, identifying backlog and need and determining the trends in terms of current and future spatial distribution of economic activities;
- Prepare / develop comprehensive and integrated MHSP that is ready to implement for Matjhabeng Local Municipality;
- Ensure the alignment of the MHSP with critical instruments such as the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP), the National Master Spatial Plan framework and the Spatial Development Frameworks (SDFs) of the respective municipalities (where it exists), and other National/ Provincial planning frameworks;
- Advise the Municipality and Province of their respective capacitation efforts towards gearing the Municipality for the new function and the Province relinquishing of the same;
- Document, collate and consolidate information for the purposes of fulfilling this assignment;
- Ensure that collated information from various engagements between the Province and municipalities finds expression in the MHSP;
- Ensure fair negotiation between the municipality and the Province to open up the way towards prioritisation of projects;

- Ensure full stakeholder participation including supportive structures towards the MHSP developments and analysis conducted; and
- Ensure the facilitation for approval by respective Municipal Councils.

## **7.9. REQUIRED EXPERIENCE, QUALIFICATIONS AND SKILLS**

Given the significant scope and the multidisciplinary nature of the envisaged project, a team comprised of a broad range of expertise is required. The following minimum relevant skills and expertise are considered to be necessary for the effective implementing of the assignment:

- Service provider's experience in undertaking similar assignment or work, their familiarity with the IDP process, provisions and principles for the conceptualisation and integration of a Housing Sector Plan and familiarity with the contents of the Provincial Human Settlements Development Plan;
- Specific expertise in municipal finance, project finance, financial management, grant management, audits;
- Understanding the organizational structures, operations and financing of the public service;
- Extensive experience within human settlements environment;
- Extensive experience with local government management environment;
- Reference letters for related work undertaken in the same Province/District/Municipality
- Development planning, including urban, town and regional planning;
- Understanding of housing and human settlements programmes;
- Experience in handling of delegation of functions, and or other local government function;
- Housing Subsidy System (HSS) application;
- Organisational and institutional development; and
- Programme and project management as well as knowledge of and exposure to the National Housing Code and practicalities of the different housing instruments.

### **7.9.1. Critical skills required:**

- Report writing;
- High level communication (verbal and written);
- Managing change;
- Conflict management and dispute resolution;
- Negotiation skills; and
- Political understanding and management

### **7.9.2 Core competencies required:**

- The service provider should have knowledge and experience in advance programme management which includes coordinating a multiplicity of key stakeholders;
- Experience in advanced project planning, implementation and monitoring;
- Excellent communication and organization skills (experience working with the public sector is considered an asset more especially linking the higher echelons with operations);
- Full computer literacy and experience in working with Excel and Project Management, in particular Multi-year planning and sequencing of Human Settlements projects;
- Good knowledge of and exposure to all housing programmes, key advantage;
- Insight into Intergovernmental Relations Framework Act and practical experience; and
- Display a good grasp and experience regarding the accreditation and assignment programme as well as all applicable legislations.

## 8. PROJECT DURATION

The service provider should be able to commence immediately after being appointed and the duration of the project is a period of **Six (6 months)**.

## 9. DELIVERABLES & OUTPUTS

In accordance with the relevant standards and procedures for professional practice and the contracted scope of work, the professional service provider will submit and make oral presentation on the following outputs and ensure that the deliverables are achieved as outlined in an implementation plan to be agreed upon with the client;

- Inception report;
- Report regarding analysis of information collated and gaps identified;
- Compiling credible and recent research on all social, economic and demographic issues impacting on housing planning and delivery for Matjhabeng Local Municipality;
- Workshop and stakeholder reports with Matjhabeng Local Municipality;
- Progress reports (monthly);
- Comprehensive Housing Needs Analysis for Matjhabeng Local Municipality; and
- Presentation of all documents to the relevant committee/s.
- Further, the professional service provider will submit three soft and hard copies of the work as outlined on the scope of work and in a format that is possible to calibrate and manipulate. Soft and hard copies of all reports of:
  - ✓ The Matjhabeng Local Municipality's Human Settlements Sector Plan;
  - ✓ The Matjhabeng Local Municipality's Housing Chapter for inclusion in the IDP
  - ✓ PowerPoint Presentations of Draft and Final Human Settlements Sector Plan.



29 June 2020

WMA Group JV Urizima 145 CC  
Golf View Office Park  
3 Pressburg Road  
Founders view North  
Modderfontein

Email: [collinmc@gmail.com](mailto:collinmc@gmail.com).

**ATTENTION: Collin Malowa**

Dear Sir/Madam

**CONTRACT NO: RFP/RSA/2020/001**

**BID DESCRIPTION: APPOINTMENT OF SERVICE PROVIDER FOR LAND SURVEYING AND PEGGING OF INDIVIDUAL STANDS OF VARIOUS RESETTLEMENT SITES TO ACCOMMODATE THE IDENTIFIED INFORMAL SETTLEMENTS THROUGHTOUT THE REPUBLIC OF SOUTH AFRICA**

We take pleasure in confirming the appointment WMA Group JV Urizima 145 CC to undertake surveying and pegging of sites at Tanganani x7 project.

Your appointment is for the surveying and pegging of 554 sites for the construction of Temporary Residential Units.

You will be shown the specific area of the project that you will be required to survey and peg.

The total price for contour surveying, land surveying and site pegging of the 554 sites is R60 718.40 (Sixty thousand Seven hundred and Eighteen rand and Forty cents).

A written acceptance of this appointment by WMA Group JV Urizima 145 CC within 02 (Two) working days from the date hereof is required.

Negotiations of all relevant terms and conditions and the subsequent conclusion of a written agreement between the Housing Development Agency and WMA Group JV Urizima 145 CC is required.



This letter does not constitute an agreement between the parties and the Housing Development Agency reserves the right to withdraw the IPW at any stage should the parties fail to reach an agreement as envisaged in paragraphs above.

Yours faithfully

Moses Mokhine

Procurement and Contract Manager

E-mail: [Moses.Mokhine@thehda.co.za](mailto:Moses.Mokhine@thehda.co.za)



**THE NATIONAL TREASURY**

**Republic of South Africa**



---

**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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

## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

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

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

## **3. General**

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

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

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

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

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

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

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

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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



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

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

#### **9. Packing**

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

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

#### **10. Delivery and documents**

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

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

#### **11. Insurance**

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

#### **12. Transportation**

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

#### **13. Incidental services**

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

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

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

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

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

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

**24. Anti-dumping and countervailing duties and rights**

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

may be due to him

**25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6:
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (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.