



SBD1

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (THE HOUSING DEVELOPMENT AGENCY (HDA))</b>					
BID NUMBER:	HDA/JHB/2021/026	CLOSING DATE:	28 FEBRUARY 2022	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF PRE-APPROVED PANEL OF SECURITY SERVICE PROVIDERS FOR THE HOUSING DEVELOPMENT AGENCY FOR A PERIOD OF THREE YEARS				
<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>THE HOUSING DEVELOPMENT AGENCY (HDA)</b>					
<b>BLOCK B 2<sup>ND</sup> FLOOR</b>					
<b>1 MAXWELL DRIVE, MEGAWATT PARK</b>					
<b>SUNNINGHILL, SANDTON 2070</b>					
<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
		<input type="checkbox"/> No			<input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
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)	
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT/ PUBLIC ENTITY	SCM		CONTACT PERSON		
CONTACT PERSON	Ngobile Mkhwanazi		TELEPHONE NUMBER		



**SBD1**

TELEPHONE NUMBER	011-544-1000	FACSIMILE NUMBER	
FACSIMILE NUMBER	011-544-1006/7	E-MAIL ADDRESS	
E-MAIL ADDRESS	Ngobile.mkhwanazi@thehda.co.za		

**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.**

The Housing Development Agency  
2nd Floor  
Block B, 1 Maxwell Drive  
Megawatt Park  
Sunninghill  
2157



---

**REQUEST FOR PROPOSALS**

---

**APPOINTMENT OF PRE-APPROVED PANEL OF SECURITY SERVICE PROVIDERS  
FOR THE HOUSING DEVELOPMENT AGENCY  
FOR A PERIOD OF THREE YEARS**

**HDA/JHB/2021/026**

---

**PROPOSALS TO BE SUBMITTED BY**

**NOT LATER THAN**

**11H00 ON 28 FEBRUARY 2022**

## TERMS OF REFERENCE

### 1. INTRODUCTION

The Housing Development Agency (HDA) is a national public development agency established by an Act of Parliament (Act 23 of 2008) which promotes sustainable communities by making well-located land, as well as appropriately planned land and buildings available for the development of housing and sustainable human settlements. As an organ of state, the HDA is accountable through its Board to the Minister of Human Settlements. As its primary activity, the HDA identifies, acquires, holds, develops, and releases state, private and communal land for development. In addition, the HDA provides project delivery support services to all spheres of government at local, provincial, and national level. Visit [www.thehda.co.za](http://www.thehda.co.za) for more information.

### 2. BACKGROUND

The HDA owns several immovable properties nationwide, it also manages some properties on behalf of various state organs and state-owned entities. These properties consist of developed land with building structures or undeveloped land parcels which are either already occupied or vacant. These properties are acquired with the plan to further develop them for human settlement programmes.

Over the past few years, South Africa has been faced with the challenges of land invasions and sprawling informal settlements created by urbanization and a shortage of affordable housing opportunities in well located areas. Some of these properties tend to be exposed to threats of invasions and illegal usage and occupation thus creating a challenge or delays when it is time for development.

Therefore, the HDA intends to mitigate the above-mentioned risks by having a fixed term panel of security companies who are appropriately qualified, competent, experienced and professionally registered to;

- Deploy as and when required to any land parcel that may be exposed to threats of invasion and unauthorised usage.
- React to any unlawful invader's efforts to erect unauthorised structures on the HDA owned and managed properties.

### 3. PURPOSE

3.1. The purpose of this proposal is to invite bids from appropriately qualified, competent, experienced and professionally registered security service providers to be considered for inclusion in a security panel for various locations in the country.

- 3.2. The HDA will require security services in future, therefore service providers will be empanelled and contacted as and when required.
- 3.3. The services will be required at various locations (as and when required) across the country, where the HDA owns, manages, has operational offices, or provides support currently or in future to its government stakeholders and entities.

#### **4. GENERAL TERMS AND CONDITIONS**

- 4.1. Besides being in possession of all other statutory compliances in terms of company registration, the company to be appointed shall be properly registered and compliant to PSIRA and be able to provide proof of registration to the HDA and be an active member of PSIRA for the duration of the contract.
- 4.2. The service provider must have a reputable name, requisite experience, expertise, knowledge, and demonstrate their professional reputation in line with the terms of reference.
- 4.3. The service provider shall always provide and render security services as per the applicable industry practice and abide by the applicable legislated laws.
- 4.4. The service provider must have provincial operation office/s and demonstrate when submitting their proposals that they will be able to attend to the emergencies within 24 hours response time when required.
- 4.5. For purposes of fair, transparent, and equal share of work, where bidders have offices in more than one province, a work rotation allocation will be applied at the discretion of the HDA.
- 4.6. The service providers will be grouped in line with the services they are providing. The service providers with no tactical reaction units and relatively those with tactical units will be grouped separately.
- 4.7. The service provider shall ensure that its team has relevant expertise and have necessary equipment and support to undertake the work such as, two-way radios, branded vehicles, vehicle monitoring systems, stationary and any security related working tools, as well as qualified, competent, and well-trained officers and the supervision thereof.
- 4.8. In cases where armed guards may be required, all respective arms (guns) are to be properly licenced and stored in line with the South African statutory laws. Licenced copies of each will be requested and verified as and when necessary.
- 4.9. The HDA will prepare and submit a detailed request for quotation of each site where services will be required before any task order can be issued to commence with rendering security services.
- 4.10. All contract pricing will be guided by the latest pricing schedule regulated by PSIRA as per geographical area.
- 4.11. The guards are required to be fully uniformed and use branded security company vehicle/s with company logos clearly displayed and must always carry their valid PSIRA registration cards with

them when performing services. The full uniform and branded security company vehicle/s proof in a collage form to be provided when submitting tender proposal documents.

- 4.12. The service provider must have a contingency plan in place for business services continuity if there is any interruption due to disasters, labour unrest or any other cause.

## 5. SCOPE OF SERVICES

The scope of security services to be rendered includes provision of Security Monitoring Officers (SMO), Security Guards (SG), Security Tactical Reaction Team (TRT) and Security Armed Guards as they may be required including supervision thereof. The service provider shall deploy their staff at the HDA properties with an assurance of prompt and utmost efficiency.

### 5.1. Physical Location

The HDA owned and managed properties are located at various provinces except for Mpumalanga and North West. The HDA is however considering acquiring properties in the two remaining provinces in the near future.

The bidders are required to indicate the province/s which they would prefer to work in, since the geographic location will also be an important and practical cost-effective measure in allocation of work. The bidders must indicate preferred location and support with proof of provincial office location (Provide municipal rates statement not older than 3 months/copy of title deed/valid lease agreement on company or directors' names, the lease shall be valid and active for the duration of the panel period) on the Table 1 below;

Table 1: Bidders Provincial Office locations

Province	Operational office (Yes/No)	Provincial office address (Attach proof)
Gauteng		
Western Cape		
Kwazulu-Natal		
Limpopo		
Northern Cape		
Eastern Cape		
North-West		
Mpumalanga		
Free-State		

## 6. DURATION OF AGREEMENT

- 6.1. The empanelment engagement of service provider/s will be for a period of 3 (three) years, subject to satisfactory performance review at the end of each service provided or rendered. If performance is found to be unsatisfactory then the service provider's inclusion to the panel will be reconsidered.
- 6.2. The services shall be executed as and when required and may include at night, Sundays and public holidays for a period that will be stipulated on the appointment letter.
- 6.3. The service providers are expected to start service(s) at all the intimated locations within a period of 1(one) to 30 days from written intimation sent by/from the HDA and after receiving, reviewing, and accepting price proposals.
- 6.4. The HDA may review the services of the Service Provider as and when it sees fit. The right to review the security services and the discretion referred to herein shall not be construed as an obligation on the part of the HDA.
- 6.5. In case the service provider/s is not able to take over all required services in all required locations in the stipulated period from the date of written intimation and/or the service Provider has not been able to render the Security services to the satisfaction of the HDA, the HDA shall be entitled to terminate the agreement.
- 6.6. The service provider must conduct background checks to their security personnel prior deploying to the Land parcel. The HDA might be provided with proof of this as and when required.
- 6.7. Below are the anticipated timeframes for this bid. The timeframes below might change depending on the number of bids that may be received and on disaster management regulations on any pandemic disease control related issues.

**Table 2: Tender durations**

Item	Item description	Comments and location
Reference number and name of the bid document.	HDA/JHB/2021/026: Appointment of pre-approved panel for security service providers for the HDA for period of 3 years.	The reference number to be clearly stated on documents.
Advertising of the bid	06 & 07 of February 2022	On the HDA website, e-portal (treasury) and national newspaper (Sunday Times).
Site inspection/briefing	There will be no site briefing for this bid.	Not applicable.
Closing time and date of the bid	At 11h00 on the 28 February 2022	No late bids will be accepted.



Item	Item description	Comments and location
Delivery address of the bid	The Housing Development Agency 2nd Floor, Block B, 1 Maxwell Drive Megawatt Park Sunninghill, 2157	Documents to be dropped in the tender box, social distancing and covid regulations to be adhered to.
Date and time of opening the bid	Not applicable	Not applicable

## 7. CODES AND STANDARDS

The service provider shall;

- 7.1. Be fully responsible for all work and services performed by its officers,
- 7.2. Ensure that it and its staff are registered as Security Officers, as prescribed by the Private Security Industry Regulation Act (PSIRA), as amended, and remain registered for the duration of this contract. HDA reserves the right to ascertain from PSIRA whether the security personnel in service of the company are in fact registered with PSIRA,
- 7.3. act as an authorising officer in terms of the Criminal Procedure Act, Act 51 of 1977, Section 23 (b) (as amended in the Criminal Procedure Amendment Act, Act 33 of 1986) Section 24, 29 and 42 (as amended in the Amendment of the Criminal Law Amendment Act, Act 59 of 1983) as well as Section 46, 49, 50 and 51,
- 7.4. comply with the Firearms Control (Act 60 Of 2000), including the related latest amendments,
- 7.5. provide and execute everything necessary for the services in accordance with industry standards and norms in terms of the prevailing sectorial determination, industry acceptable training levels in respect of PSIRA and any other relevant regulations,
- 7.6. adhere to Occupational Health and Safety Act 85 of 1993 prescriptions,
- 7.7. be aware and in compliance with the disaster management regulations as gazetted by South African national Government, and
- 7.8. be required to comply with Basic Conditions of Employment Act 95 of 1997 Section 9 and 9a,11, 15, 16, 29, 30 together with its regulations and amendments (2020).

## 8. INSURANCE

- 8.1. Throughout the term of this service, the service provider shall maintain at his sole expense, effective insurance covering his activities at the premises such as, medical insurance, Worker's Compensation Insurance and general liability insurance, Unemployed Insurance Fund in line with industry norms.

- 8.2. The insurance required shall provide adequate protection for the service provider against damage claims that may arise from operations under this service, whether such operation be by the insured and also, against any of the special hazards that may be encountered in the performance of this service.
- 8.3. In the event of no general liability insurance in place, a document or letter of intent to obtain insurance should be submitted and the service provider shall furnish HDA with documentation of this insurance coverage within 48 hours upon request.
- 8.4. The service provider shall provide the HDA, its auditors or any other authorities, as may be required from time to time with any of the above insurance documentary proof of compliance.

## **9. EXPECTED DELIVERABLES**

### **9.1. Monitoring Team**

- 9.1.1. Provision of competent and well-trained monitoring officers and relief officers with a minimum of **Grade-C PSIRA registration** and employed in line with Labour Relations Act on appropriate vehicles, including supervisors thereof, who are South African citizens, qualified and competent for the service as and when required including at night, Sundays and public holidays.
- 9.1.2. Surveillance, monitoring and controlling the HDA with appropriate vehicle/s, number of officers with required PSIRA recognition grades, including managing any unauthorised occupation, erection of structure, illegal dumping, invasions and usage.
- 9.1.3. Removal of pegs or markers, with the help of the company's support team, that are used to identify plots during unlawful land invasions.
- 9.1.4. The provision of all service providers' equipment such as vehicles (some terrains and situations may require 4x2, 4x4 or armoured vehicles), personal protective clothing, riot control weapons, buttons, radios, required for this service.
- 9.1.5. Assisting the Law Enforcement units and SAPS to enforce the court order on the HDA owned and managed properties.
- 9.1.6. The service provider shall provide a guardhouse and all necessary ablution facilities if so needed during the duration of the contract.
- 9.1.7. The service provider shall install a tracking system in its monitoring vehicles to ensure that the guards patrol the properties and are tracked in line with HDA's scope requirements.

### **9.2. Guarding Team**

- 9.2.1. Provision of competent and well-trained monitoring officers and relief officers with a minimum of **Grade-C PSIRA registration** and employed in line with Labour Relations Act on appropriate vehicles, including supervisors thereof, who are South African citizens, qualified and competent for the service as and when required including at night, Sundays, and public holidays.

- 9.2.2. Guarding and controlling access at the HDA owned and managed properties with appropriate number of officers with required PSIRA recognition grades, including managing any unauthorised occupation, access, and usage of the premises.
- 9.2.3. Preventing, reporting, and managing any service defaults, damages, non-conformance in the property.
- 9.2.4. The service provider shall provide a guardhouse and all necessary ablution facilities if needed during the duration of the contract.
- 9.2.5. The service provider shall supply, install, manage and service an electronic guard-monitoring tag system to ensure that the guards patrol or guard the properties in line with HDA's scope requirements.

### **9.3. Tactical Reaction Team**

- 9.3.1. Availability of **Tactical Reaction Team (TRT)** with an appropriate armoured vehicle. (proof of ownership or valid lease agreement on director's name to be attached).
- 9.3.2. The TRT to have a minimum of **Grace-C PSIRA registration** with competency certificates in handguns, non-lethal weapons including shotguns and relevant protective clothing as well as vehicles to protect officers during volatile situations.
- 9.3.3. The TRT will be called as and when required through Instruction to Perform Work (IPW) arrangement when there is a mass invasion. The TRT team to be deployed on site within 1(one) hour of receipt of IPW.
- 9.3.4. Demolishing, removal and storage or relocation of illegal informal structures. The material stored to be recorded in inventory and stored in a secured enclosed area relatively accessible to the perpetrators to collect within seven days.
- 9.3.5. Assisting the Law Enforcement units and SAPS to enforce the court order on the HDA owned and managed properties.
- 9.3.6. Be able to respond to any riot situation should the need arise or ability to combat unlawful occupations.
- 9.3.7. Be able to provide fast releasing 3(three) coiled barbed wire in excess of 100 to 500 metres in short request notice.
- 9.3.8. The security wire will be requested as and when required by the HDA through the IPW arrangement.

### **9.4. Administrative**

- 9.4.1. Preparation, submission and presenting detailed weekly and adhoc incidents or site reports to the HDA or as directed by the HDA. This will involve attending a weekly or adhoc performance meeting with the HDA and other stakeholders.

- 9.4.2. Preparation and submission of detailed invoices with statements for verification and approval by the HDA. All invoices will be paid subject to receipt of the detailed monthly report by the HDA and their compliance to the requirements of the HDA.
- 9.4.3. The compliance with all laws, by-laws, rules, and regulations applicable to the services to be executed by the services provider.
- 9.4.4. Maintain an incident register, near misses and other incidents that may be of nuisance to the HDA.

## 10. DOCUMENTS SUBMISSION

Submit the proposal documents in the sequence and file division (paper colour coding) provided on the below **Table 3**;

Table 3: Returnable Sequence

Item	Required documents	Paper Colour
Annexure 1	This RFP document	White
Annexure 2	Central Supplier Database (CSD) report, SDB forms	White
Annexure 3	Company profile with copies of relevant certifications, accreditations and licences; <ul style="list-style-type: none"> <li>• Company registration documents.</li> <li>• Original tax certificate.</li> <li>• PSIRA registration.</li> <li>• Share certificates.</li> <li>• Letter of good standing from workman's compensation commissioner.</li> <li>• Valid Unemployment Insurance Fund (UIF) proof of registration.</li> <li>• Public liability insurance and other relevant insurances,</li> <li>• Etc.</li> </ul>	White
Annexure 4	Company organogram with CV's, PSIRA registration certificates and 3(three) months' payslips of the main project team (Not more than 10) and copies of any of their other security related certificates.	Yellow
Annexure 5	Company's lists of; <ul style="list-style-type: none"> <li>• Security infrastructure (batons, radios, shields, armaments, coiled wire, etc.) and collage thereof.</li> <li>• Active employees, and</li> <li>• Vehicles' list.</li> </ul>	Yellow
Annexure 6	Company's proof of provincial operational office. Attach proof of ownership, or a signed lease agreement, or statement of account from	Orange

Item	Required documents	Paper Colour
	the municipality reflecting the company's or directors' names and not older than 3 months.	
Annexure 7	Scope related work and experience. Attach signed letters of previous or current appointments or purchase orders.	Orange
Annexure 8	<ul style="list-style-type: none"> <li>• Security Operational Plan</li> <li>• Invasion and Emergency Contingency Plan</li> <li>• Safety and Training Plan</li> </ul>	Green

## 11. EVALUATION PROCESS

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

The evaluation of the bids will be conducted in two(2) stages, viz. pre-qualification and, technical/functionality evaluation. In all cases should the documents submitted be certified then the certification must be original and not older than six(6) months.

The general methodology of selection will be that proposals will first be evaluated in terms of pre-qualification. Bidders that pass the pre-qualification will proceed to be assessed on their technical ability to perform the task. **Any proposals scoring below 70% of the points on technical ability as noted in the table 3 below will be disqualified for the third evaluation which will be price and B-BBEE.**

There will be no Price and B-BBEE evaluation at this stage as this is only a panel. Quotations and or price proposal will be requested from the bidders that will qualify to be on the pre-approved panel and this will be on a need basis as and when required.

### 11.1 Pre-qualification (Stage 1)

The compulsory documents to be submitted with the tender are as listed below. Failure to submit any of the documents will result in the tenderer being disqualified and not considered for the next stage, i.e. Functionality.

- Valid and Original or Certified B-BBEE Status level 1-4 verification Certificate.
- In a case of Joint Ventures or Consortium, submit consolidated Valid and Original or Certified B-BBEE Status Level Verification Certificate

Failure to submit any of the above-mentioned document will lead to automatic disqualification

## 11.2 Technical / Functionality Evaluation Criteria (Stage 2)

The bids will be evaluated on technical / functionality compliance by allocating points in respect of functionality according to the criteria set out below. **Bidders who score more than 70 Points out of 100 points on technical functionality will qualify for the pre-approved panel of security service providers for a period of three on and as an when required basis.**

11.2.1 The Table 3 below demonstrate the criteria to be used for allocation of points for functionality as outlined above. Bids scoring less than 70 points on technical evaluation functionality criteria will be set aside.

Table 3 – Technical Evaluation Functionality Criteria

CRITERIA	SUB-CRITERIA	TOTAL POINTS
A. Bid Submission Compliance	Submission of all documents in line with documents submission sequence guideline in section 10 of this RFP. – 5 points.	5
B. Company profile	1. Not related to security guarding and patrol services. – 0 points 2. Related to security guarding and patrol services. – 5 points 3. Related to security guarding and patrol services with tactical reaction services. - 10 points. <b>(In case of a joint Venture, all companies must submit separate profiles indicating the Lead Company)</b>	10
C. Company Organogram	Company organogram with CV's, PSIRA registration certificates of the company's main project team (Not more than 10) and copies of any of their other security related certificates. - 5 points.	5
D. Company Experience	1. <u>Years of experience providing security services. -10 Points:</u> i. 1 to 5 years = 2 points ii. 5 to 10 years = 4 points iii. 10 to 15 years = 6 points iv. 15 to 20 years = 8 points v. More than 20 years = 10 points 2. <u>Scope related work experience. Attach signed letters of appointment with awarding company logo or purchase orders.-10 Points:</u> i. 0-projects = 0 points ii. 1-project = 2 points iii. 2-projects = 5 points	30

CRITERIA	SUB-CRITERIA	TOTAL POINTS
	iv. 3-projects = 7 points v. 4 or more projects = 10 points <b>3. Scope related professional reputation. Attach signed reference letters.-10 Points:</b> i. 0-reference letters = 0 points ii. 1-reference letters = 2 points iii. 2-reference letters = 5 points iv. 3-reference letters = 7 points v. 4 or more reference letters = 10 points	
<b>E. Capacity (Relevant resources)</b>	1. Proof of provincial operation office. <b>municipal rates statement not older than 3 months/copy of title deed/valid lease agreement on company or directors' names</b> Attach a copy of municipal account/signed lease agreement in the bidding company or director's names. – 10 Points <b>(If company has more than 1(one) office in the province/s, the company is to provide a proof for each)</b> 2. List of security patrolling equipment and vehicle/s. – 10 Points <b>(attach copies of vehicle registration documents and their pictures reflecting company logos on vehicles and equipment).</b> 3. A list of active employees and security infrastructure (batons, radios, shields, armaments, coiled wire, etc.). – 10 points. 4. A collage of company uniform, riot control weapons, security batons, 2-way radios, OB book, flashlights, etc. – 5 points	<b>35</b>
<b>F. Insurance</b>	Valid insurance cover. – 5 points <b>(A letter of intent to insure is acceptable)</b>	<b>5</b>
<b>G. Company Work Plan</b>	1. Security Operational, Safety and Training Plan – 5 points 2. Invasion and Emergency Contingency plan. – 5 points	<b>10</b>
<b>TOTAL</b>		<b>100</b>

## 12 GENERAL BID REQUIREMENTS

12.1 The bid is to be submitted along with this RFP document and other supporting documents, as applicable.

- 12.2** It is important to note that the successful person will work under the supervision of a HDA representative, abide by HDA's Code of Conduct, and other organizational guidelines.
- 12.3** Kindly complete and submit the following documents:
- Registration with the National Treasury Central Supplier Database (CSD Report), if not yet registered use the following link to register: <https://secure.csd.gov.za/>
  - SBD Forms (SBD4, SBD6.1, SBD8 and SBD9) obtainable from HDA Website: [www.thehda.co.za/procurement](http://www.thehda.co.za/procurement). Under compliance checklist.
  - Valid and Original or Certified B-BBEE Status Level Verification Certificates issue by the following agencies SANAS, IRBA or CCA, Sworn Affidavits.
  - Valid PSIRA registration documents/certificate
- 12.4** Proof of operational office location in the province of choice is required. Bids with no indicated specific area of preference in line with the above section 5 (of this document) will be disqualified.

### **13 TERMS AND CONDITIONS**

- 13.1** Upon empanelment, the bidders will be requested to submit price quotation proposals as and when there is a service requirement and the lowest comparable bidder in terms of price and B-BEEE will be appointed.
- 13.2** HDA undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice and a service execution report.
- 13.3** No payment will be made where there is an outstanding information/work by the service provider/s.
- 13.4** The selection of the qualifying proposal will be at the absolute discretion in the larger interest of the HDA, but without being under any obligation to do so, update, amend or supplement the information in this RFP or modify or alter any provisions or terms and conditions at any time even during the contract period, at its sole discretion without assigning any reasons whatsoever.
- 13.5** The HDA does not bind itself to accept any particular bid/proposal, and the HDA reserves the right not to appoint any service provider at any stage without assigning any reason whatsoever. The decision of the HDA shall be final conclusive, and binding on all the parties.



## 14 SUBMISSION OF PROPOSAL

14.1 Proposals should be submitted on or before the **28 February 2022** by no later than 11h00 to the following address

**The Procurement Officer  
The Housing Development Agency  
2nd Floor  
Block B, 1 Maxwell Drive  
Megawatt Park  
Sunninghill  
2157**

14.2 Further information regarding supply chain matter and queries can be sent via email to: [Nqobile.Mkhwanazi@thehda.co.za](mailto:Nqobile.Mkhwanazi@thehda.co.za) or at Tel: 011 544 1000

14.3 The selection of the qualifying proposal will be at the HDA's sole discretion. The HDA does not bind itself to accept any particular bid/proposal, and the HDA reserves the right not to appoint the service provider.

14.4 The HDA expresses that in the event of any service provider being appointed on this job, there is no expectation that any follow up work on this project will be granted to the same service provider.



### Application for a Tax Clearance Certificate

**Purpose**

Select the applicable option ..... Tenders  Good standing

If "Good standing", please state the purpose of this application


**Particulars of applicant**

Name/Legal name (Initials & Surname or registered name)			
Trading name (if applicable)			
ID/Passport no		Company/Close Corp. registered no	
Income Tax ref no		PAYE ref no	7
VAT registration no	4	SDL ref no	L
Customs code		UIF ref no	U
Telephone no		Fax no	
E-mail address			
Physical address			
Postal address			

**Particulars of representative (Public Officer/Trustee/Partner)**

Surname			
First names			
ID/Passport no		Income Tax ref no	
Telephone no		Fax no	
E-mail address			
Physical address			



## 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.
<b>29. Governing language</b>	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.
<b>30. Applicable law</b>	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	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.
<b>32. Taxes and duties</b>	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.
<b>33. National Industrial Participation (NIP) Programme</b>	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.
<b>34 Prohibition of Restrictive practices</b>	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.