 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA		<h1 style="text-align: center;">Provincial Supply Chain Management</h1>								
		<b>Request for Proposal</b>				<b>Page 1 of 3</b>				
<b>RFP NUMBER</b>										
<b>RFP DESCRIPTION</b>										
<b>CUSTOMER DEPARTMENT</b>										
<b>CUSTOMER INSTITUTION</b>										
<b>BRIEFING SESSION</b>	<b>Y</b>		<b>N</b>		<b>SESSION COMPULSORY</b>		<b>Y</b>		<b>N</b>	
					<b>SESSION HIGHLY RECOMMENDED</b>		<b>Y</b>		<b>N</b>	
<b>BRIEFING VENUE</b>					<b>DATE</b>		<b>TIME</b>			
<b>COMPULSORY SITE INSPECTION</b>	<b>Y</b>		<b>N</b>		<b>DATE</b>		<b>TIME</b>			
<b>INSPECTION ADDRESS</b>										
<b>TERM AGREEMENT CALLED FOR?</b>	<b>Y</b>		<b>N</b>		<b>TERM DURATION</b>					
<b>CLOSING DATE</b>					<b>CLOSING TIME</b>					
<b>TENDER BOX LOCATION</b>										
GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions. The goods / services are therefore required by the Customer Department / Institution, as indicated on this form RFP 01.										

### Notes:

- All bids / tenders must be deposited in the Tender Box at the following address:  
**Gauteng Provincial Treasury, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg**
- Bids / tenders must be deposited in the Tender Box on or before the closing date and time.
- Bids / tenders submitted by fax will not be accepted.
- The GPT Tender Box is generally open 24 hours a day, 7 days a week.
- This bid is subject to the preferential procurement policy framework act and the preferential procurement regulations, 2017, the general conditions of contract (gcc) 2010 and, if applicable, any other special conditions of contract.
- ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL GPG RFP FORMS – (NOT TO BE RE-TYPED)
- ALL REQUIRED INFORMATION MUST BE COMPLETED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED):

### The Tendering System

The RFP Pack consists of two parts namely, Section 1 and Section 2. These two sections must be submitted separately, clearly marked with the Tender Number and the Section Number.

### Training sessions

Non-compulsory "How to tender" workshops are held every Wednesday at 75 Fox Street from 10:00-13:00.



# Provincial Supply Chain Management

**Request for Proposal**
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SUPPLIER INFORMATION					
COMPANY NAME					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<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 [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE IN RFP 09]

<b>SIGNATURE OF BIDDER</b>		<b>DATE</b>	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>			

**This RFP is subject to the General Conditions of Contract and where applicable any other Special Conditions of Contract.**



# Provincial Supply Chain Management

**Request for Proposal**
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**Tender documents can be obtained from <http://www.treasury.gpg.gov.za>**

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

<b>DEPARTMENT</b>	
<b>CONTACT PERSON</b>	
<b>TELEPHONE NUMBER</b>	
<b>FACSIMILE</b>	
<b>E-MAIL ADDRESS</b>	

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

<b>DEPARTMENT</b>	
<b>CONTACT PERSON</b>	
<b>TELEPHONE NUMBER</b>	
<b>FACSIMILIE</b>	
<b>E-MAIL ADDRESS</b>	

**TYPE OF CONTRACT (COMPLETED BY PROJECT MANAGER)**

<b>SERVICE BASED</b>	<b>Y</b>		<b>N</b>		<b>TERM BASED TYPE</b>	<b>Y</b>		<b>N</b>		<b>VALUE BASED TYPE</b>	<b>Y</b>		<b>N</b>	
<b>VALUE BASED</b>	<b>Y</b>		<b>N</b>											
<b>QUANTITY BASED</b>	<b>Y</b>		<b>N</b>											
<b>TERM BASED</b>	<b>Y</b>		<b>N</b>											



# Provincial Supply Chain Management

**RFP Point System**
**Page 1 of 1**

RFP NUMBER		CLOSING DATE	
VALIDITY OF RFP		CLOSING TIME	

In case of queries, please contact the GPT Contact Centre at tel: 0860 011 000

\*GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions.

The goods / services are therefore required by the Customer Department / Institution, as indicated on RFP 01.

**The Gauteng Provincial Government requests your bid on the goods and/or services listed on the attached forms. Please furnish all information as requested and return your bid on the date stipulated. Late and incomplete submissions may invalidate the bid submitted.**

**This RFP will be evaluated on the basis of Preferential Procurement Regulation, 2017 pertaining to the Preferential Procurement Policy Framework Act (Act number 5 of 2000).**

## Point System

Points SHALL be allocated as follows:

Points for

Points for

**\* It is the responsibility of the bidder to attach A VALID SWORN AFFIDAVIT {EME/QSE} ATTESTED BY A COMMISSIONER OF OATHS OR VALID CERTIFIED COPY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE WITH THIS RFP DOCUMENT TO QUALIFY FOR THE PREFERENCE POINTS**



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Instructions to Bidders

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1. The RFP (Request for Proposal) Pack is drawn up so that certain essential information should be furnished in a specific manner. Any additional particulars shall be furnished in a separate annexure.
2. The RFP forms should not be retyped or redrafted, but photocopies may be prepared and used. Additional offers may be made for any item, but only on a photocopy of the page in question or on other forms obtainable from the relevant Department or Institution advertising this RFP. Additional offers made in any other manner may be disregarded.
3. Should the RFP forms not be filled in by means of electronic devices, bidders are encouraged to complete forms in a black ink.
4. Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted with regards to claims arising from the fact that pages are missing or duplicated.
5. The forms RFP 04 to RFP 09 and PREF documents shall be completed, signed and submitted with the bid. RFP 10 (National Industrial Participation Programme Form) will only be added to the RFP pack to be completed by bidders when an imported component in excess of US \$ 10 million is expected.
6. A separate RFP 06 form (RFP Price Schedule per item) shall be completed in respect of each item. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP(not applicable for Pre-qualification of Bidders).
7. Firm delivery periods and prices are preferred. Consequently bidders shall clearly state whether delivery periods and prices will remain firm or not for the duration of any contract, which may result from this RFP, by completing RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
8. If non-firm prices are offered bidders must ensure that a separate RFP 07 (Non-Firm Prices per item) is completed in respect of each item for which a non-firm price is offered. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP (not applicable for Pre-qualification of Bidders).
9. Where items are specified in detail, the specifications form an integral part of the RFP document (see the attached specification) and bidders shall indicate in the space provided whether the items offered are to specification or not (not applicable for Pre-qualification of Bidders).
10. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified" (see the attached specification) (not applicable for Pre-qualification of Bidders).
11. In cases where the items are not to specification, the deviations from the specifications shall be indicated (see the attached specification).
12. In instances where the bidder is not the manufacturer of the items offered, the bidder must as per RFP 06 (RFP Price Schedule per item) submit a Letter of Supply from the relevant manufacturer or his supplier (not applicable for Pre-qualification of Bidders).
13. The offered prices shall be given in the units shown in the attached specification, as well as in RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
14. With the exception of imported goods, where required, all prices shall be quoted in South African currency. Where bids are submitted for imported goods, foreign currency information must be supplied by completing the relevant portions of RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
15. Unless otherwise indicated, the costs of packaging materials (if applicable) are for the account of the bidder and must be included in the bid price on RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
16. Delivery basis (not applicable for Pre-qualification of Bidders):
  - (a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of offer shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station, if the goods are required elsewhere.
  - (b) Notwithstanding the provisions of paragraph 16(a), offered prices for supplies in respect of which installation / erection / assembly is a requirement, shall include ALL costs on a "delivered on site" basis, as specified on RFP 06 (RFP Price Schedule per item).
17. Unless specifically provided for in the RFP document, no bids transmitted by facsimile or email shall be considered.
18. Failure on the part of the bidder to sign any of the forms RFP 04 to RFP 10 and PREF documents and thus to acknowledge and accept the conditions in writing or to complete the attached RFP forms, Preference documents, questionnaires and specifications in all respects, may invalidate the bid.
19. Bids should preferably not be qualified by the bidder's own conditions of bid. Failure to comply with these requirements (i.e. full



# Provincial Supply Chain Management

## Instructions to Bidders

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acceptance of the General Conditions of Contract or to renounce specifically the bidder's own conditions of bid, when called upon to do so, may invalidate the bid.

20. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the successful bidder may be required to submit **pre-production samples** to the South African Bureau of Standards (SABS) or such testing authority as designated at the request of the relevant Department concerned. Unless the relevant Department decides otherwise, pre-production samples must be submitted within thirty (30) days of the date on which the successful bidder was requested to do so. Mass production may commence only after both the relevant Department and the successful bidder have been advised by the SABS that the pre-production samples have been approved.
21. Should the pre-production samples pass the inspections / tests at the first attempt, the costs associated with the inspections / tests will be for the account of the relevant Department. If the SABS or such testing authority as designated do not approve the pre-production samples, but requires corrections / improvements, the costs of the inspections / tests must be paid by the successful bidder and samples which are acceptable in all respects must then reach the SABS or such testing authority as designated within twenty-one (21) days of the date on which the findings of the SABS or such testing authority as designated were received by the successful bidder. Failure to deliver samples within the specified time and to the required standards may lead to the cancellation of the intended contract.
22. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the samples must be submitted together with the bid before the closing time and date of the RFP, unless specifically indicated otherwise. Failure to submit the requested sample(s) before the closing time and date of the RFP may invalidate the bid.
23. In cases where large quantities of a product are called for, it may be necessary for the relevant item to be shared among two (2) or more suppliers.
24. In cases where the relevant Department or Institution advertising this RFP may deem it necessary, a formal contract may be entered into with the successful bidder, in addition to a Letter of Acceptance and / or purchase order being issued.
25. If any of the conditions on the RFP forms are in conflict with any special conditions, stipulations or provisions incorporated in the bid invitation, such special conditions, stipulations or provisions shall apply.
26. This RFP is subject to the General Conditions of Contract and re-issues thereof. Copies of these conditions are obtainable from any office of the Gauteng Provincial Government (GPG).
27. Each bid must be submitted in a separate, sealed envelope on which the following must be clearly indicated:
  - NAME AND ADDRESS OF THE BIDDER;
  - THE BID (RFP) NUMBER; AND
  - THE CLOSING DATE.

The bid must be deposited or posted;

  - posted to Gauteng Provincial Treasury and to reach the destination not later than the closing time and date; OR
  - deposited in the tender box of the Gauteng Provincial Treasury before the closing time and date.
28. The Gauteng Provincial Government has become a member and as such a key sponsor of the Proudly South African Campaign. GPG therefore would like to procure local products of a high quality, produced through the practise of sound labour relations and in an environment where high environmental standards are maintained. In terms of the Proudly South African Campaign South African companies are encouraged to submit interesting and innovative achievements in the manufacturing field (if relevant to this RFP) – including information on new products, export achievements, new partnerships and successes and milestones.
29. **Compulsory GPG Contract:** It is a mandatory requirement that successful bidder/s (to whom a tender is awarded) sign a GPG Contract upon award of any given contract.



# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B: BID COMMITMENT

1. I/We hereby bid to supply all or any of the supplies and/or to render all or any of the services described in the attached RFP documents to the Gauteng Province of the Republic of South Africa, on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of, and incorporated into, this bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.
2. I/We agree that -
  - (a) the offer herein shall remain binding upon me/us and open for acceptance by the Gauteng Provincial Government as represented by the Department requesting this proposal during the validity period indicated and calculated from the closing time of the bid;
  - (b) this bid and its acceptance shall be subject to the terms and conditions contained in the General Conditions of Contract and Preference Points Claim Form – General Conditions and Definitions of the Preferential Procurement Policy Framework Act - PPPFA (PREF 01) with which I am/we are fully acquainted;
  - (c) if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Province may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Province and I/we will then pay to the Province any additional expense incurred by the Province having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid; the Province shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the Province may sustain by reason of my/our default;
  - (d) if my/our bid is accepted the acceptance may be communicated to me/us by letter or order by ordinary post or registered post and that SA Post Office Ltd shall be regarded as my/our agent, and delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;
  - (e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose domicile citandi et executants in the Republic at (full address of this place);

#### FULL ADDRESS

3. I/We furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
4. I/We hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of any contract, which might be awarded based on this offer.
5. I/We agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me/us as a result of such action.
6. I/We declare that I/we have **participation/no participation\*** in the submission of any other offer for the supplies/services described in this RFP document. If there is participation, state names(s) of bidder(s) involved  
 \* **Delete whichever is not applicable.**

#### OTHER BIDDERS INVOLVED

7.

#### AUTHORISATION

Are you duly authorised to sign the bid? (Also refer to RFP 01 – page 2)

#### INDICATE

Y ☐ ☐ N ☐ ☐

8.

#### DECLARATION

Has the Declaration of Interest (part B of this form: RFP 04) been duly completed?

#### INDICATE

Y ☐ ☐ N ☐ ☐





# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B : DECLARATION OF INTEREST

9. Any legal person, including persons employed by the state<sup>1</sup>, 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 an advertised competitive bid, a limited bid, a proposal or written price quotation). 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 where-

- the bidder is employed by state; and/or
- the legal person on who's behalf the bidding document is signed, has a relationship with persons/a person who are/is involved with 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 who's behalf the declarant acts and persons who are involved with the evaluation and / or adjudication of the bid

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

10.1 Full Name of Bidder or his/ her representative:	
10.2 Identity Number:	
10.3 Position occupied in the company : (director, trustee, shareholder <sup>2</sup> , member)	
10.4 Registration number of company, enterprise, close corporation, partnership agreement or trust	
10.5 Tax Reference Number:	
10.6 Vat Registration Number:	
10.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 11 below.	

<sup>1</sup>"State" means-

- a) any national and 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

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise/business and exercises control over the enterprise.

10.7 Are you or any person connected with the bidder, presently employed by the state?		Y			N		
If so, furnish the following particulars	Name of person/Director/shareholder/member:						
	Name of Institution to which the person is connected:						
	Position occupied in the institution:						
	Any other particulars:						





# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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10.8 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?	Y				N		
10.8.1 If yes, did you attach proof of such authority to the bid document? (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid).	Y				N		
If no, furnish reasons for non-submission of such proof							

10.9 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?	Y				N		
If YES, furnish particulars							

10.10 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?	Y				N		
If so, furnish particulars							

10.11 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?	Y				N		
If so, furnish particulars							

10.12 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?	Y				N		
If so, furnish particulars							



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Bid Commitment and  
Declaration of Interest**

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## 11. Full details of directors / trustees / members / shareholders.

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

### DECLARATION

I, THE UNDERSIGNED (NAME)  CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 10.1 to 10.12 ABOVE IS CORRECT.

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

NAME OF BIDDER OR ASSIGNEE(S)	SIGNATURE OF BIDDER OR ASSIGNEE(S)

DATE	POSITION



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Declaration of Bidder's Past Supply Chain Management Practices

Page 1 of 2

- 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.**

4.1 Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).  <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>		Y		N	
If so, furnish particulars:					
4.2 Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>		Y		N	
If so, furnish particulars:					
4.3 Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?		Y		N	
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?		Y		N	
If so, furnish particulars:					





**GAUTENG PROVINCE**  
 PROVINCIAL TREASURY  
 REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management


**Special Conditions**

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<b>RFP NUMBER</b>	
<b>RFP DESCRIPTION</b>	
<b>CUSTOMER DEPARTMENT</b>	
<b>CUSTOMER INSTITUTION</b>	

THE FOLLOWING MUST ACCOMPANY YOUR BID, IF INDICATED BY "✓"

<b>Samples</b>	<b>SABS /Equivalent Certificate</b> May not be older than one (1) year, the cost of which will be for the account of the bidder.	<b>Bidders Briefing Session</b>
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 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
<b>Special Conditions</b>	Page 2 of 3	

## **EVALUATION METHODOLOGY**

Bidders must complete all compulsory documents as required and attach them to their tender document, failing which the bid shall not be considered for further evaluation.

Points will be awarded in accordance with the Preferential Procurement Policy Framework Act (PPPFA)

### **Stage 1**

Criteria for Functionality	Points
<b>TOTAL</b>	

**NOTE:** Bidders who fail to meet the above minimum requirements (Stage 1) shall be eliminated from further evaluation

### **Stage 2**

Criteria for Price and B-BBEE Status	Points
Bid Price	80
Preference Points	20
<b>TOTAL</b>	<b>100</b>

Bidders are required to use the two envelope bidding system, whereby the Technical Proposal (Stage 1), Pricing and B-BBEE (Stage 2) be placed in two separate sealed envelopes marked:

- Stage One-

- Stage Two-



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Special Conditions**

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## SUPPLIER JOB CREATION ANALYSIS

Company Name		Date Est.	
--------------	--	-----------	--

	Permanent	Temp	SA Citizens	Other	Comments
Staff compliment at Establishment of Enterprise					
Current staff compliment					
Number of jobs to be created if Bid is successful					

- The successful bidder may be audited during the course of the contract to verify the above information.

Comments to include:

- If Job Creation is direct (by your own company) or indirect (by your supplier)
- Where the jobs created for employees that were in existing positions or unemployed? (Net Job Creation)

NOTE: Job Creation should adhere to all applicable RSA Legislation and Regulations.

=====

THIS SECTION IS FOR OFFICE USE ONLY!						
Observations	Initial Job Count	Job Creation Potential	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Year 1						
Year 2						
Year 3						
Year 4						
Year 5						





**GAUTENG PROVINCE**  
HEALTH  
REPUBLIC OF SOUTH AFRICA

## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

### ABBREVIATIONS

B-BBEE:	Broad Based Black Economic Empowerment
B-BBEE Controlled:	A juristic person, having shareholding or similar members interest, in which black Company participants, enjoy a right to Exercisable Voting Rights that is at least 51% of the total such rights measured using the Flow-Through Principle.
B-BBEE Owned:	A juristic person having shareholding or similar members interest, that is BEE Company controlled, in which black participants enjoy a right to Economic interest that is at least 51% of the total such rights measured using the Flow-Through Principle.
BEC:	Bid Evaluation Committee
BSC:	Bid Specification Committee
CoC :	Certificate of Compliance / Certificate of Conformity
CPA :	Contract Price Adjustment
CPI :	Consumer Price Index
CSD:	Central Supplier Database
GDOH:	Gauteng Department of Health
GCC:	General Conditions of Contract
GHG:	Gauteng Health Guidelines on Retention of Patients Records
GPG:	Gauteng Provincial Government
GPT:	Gauteng Provincial Treasury
HAS:	Hazardous Substance Act
ISO:	International Standards Organization / Organization for Standardization
JVA:	Joint Venture Agreement
MSD:	Medical Supplies Depot
MMS:	Multimedia Messaging Service
NBCFAL	National Bargaining Council for Freight, Air and Logistic industry
OHSA:	Occupational Health and Safety Act
POPI:	Protection of Personal Information Act
PPPPFA:	Preferential Procurement Policy Framework Act
PDP:	Professional Driving Permit
QC:	Quality Control
QSE:	A qualifying small business enterprise in terms of the code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act
RFP:	Request for Proposal
SABS:	South African Bureau of Standards
SANAS:	South African National Accreditation System
SANS:	South African National Standard
SAHPRA:	South African Health Products Regulatory Authority
SCC:	Special Conditions of Contract
TCC:	Tax Clearance Certificate
UIF:	Unemployment Insurance Fund
VAT:	Value- Added Tax
WCC:	Workman's Compensation Certificate



## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

### 1. THE PURPOSE

The purpose of this tender is to appoint service providers to provide the Gauteng Medical Supplies Depot with the distribution of Pharmaceutical items service to various Gauteng Healthcare Facilities for period of three years.

### 2. THE BACKGROUND

The Gauteng Department of Health seeks to invite service providers for the provision of Distribution of Pharmaceutical items to various Gauteng Healthcare Facilities. Distribution of these essential items must be in accordance with good distribution practices. Knowledge of distribution of these products will be an added advantage.

#### 2.1 ESTIMATED KILOMETRES TRAVELLED FROM MEDICAL SUPPLIES DEPOT

Table 1: Estimated Kilometres from Medical Supplies Depot

GROUP 1 (1-9KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
1	Ann Latsky Nursing College	1
2	Helen Joseph Hospital	1
3	Rahima Moosa Mother and Child	2
4	JHB Correctional Pharmacy	4
5	Central Wits CHC	7
6	F.P.S Johannesburg	7
7	Charlotte Maxeke Johannesburg Academic Hospital	8
8	Hillbrow CHC	8
9	Hillbrow Regional Pharmacy	8
10	JHB Metro	8
11	Wits Oral and Dental	8
12	Baneng Care Centre	9

GROUP 2 (10-19KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
13	Diepkloof Clinic	11
14	Selby Park Hospital	11
15	Discoverers CHC	12
16	F.P.S Diepkloof	12
17	Lillian Ngoyi CHC	14



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18	Meadowlands Clinic	15
19	Orlando Clinic	15
20	South Rand Hospital	15
21	Chris Hani Baragwanath Academic Hospital	16
22	F.P.S Roodepoort	16
23	Tara The H Moross Centre	16
24	St. John's Eye	17
25	Alexandra CHC	18
26	Michael Maponya Clinic	18
27	Itereleng CHC	19
28	Mofolo CHC	19

GROUP 3 (20-29KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
29	Sizwe Tropical Diseases Hospital	20
30	Chiawelo CHC	21
31	Ekurhuleni DHS Regional Pharmacy (Germiston)	21
32	Edenvale Hospital	22
33	Leratong Hospital	22
34	Zola Jabulani (Bheki Mlangeni) Hospital	23
35	Thladi Clinic	24
36	Thusong Clinic	24
37	Tshepisong Clinic	24
38	Bertha Gxowa Hospital	25
39	Eikenhof Clinic	25
40	Kagiso Clinic	25
41	West Rand Regional Pharmacy	25
42	Zola CHC	25
43	Dr. Yusuf Dadoo Hospital	28
44	Eric Ndleni Clinic	28
45	Waverley Care Centre	28
46	Krugersdorp Correctional Pharmacy	29
47	Muldersdrift Clinic	29
48	Witkoppen Clinic	29

GROUP 4 (30-39KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
49	F.P.S Germiston	32
50	West Rand District Pharmacy	33
51	Sterkfontein Hospital	34
52	Tambo Memorial Hospital	39



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GROUP 5 (40-49KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
53	Ennerdale Clinic	40
54	Lenasia Ext 5 (Daxina) CHC	40
55	Lenasia South CHC	40
56	Stretford Clinic	42
57	Embalenhle Clinic	43
58	Mohlakeng CHC	43
59	Thelle Moegerane (Natalspruit) Hospital	43
60	Barney Molokoane Clinic	45
61	Thuthukani Clinic	46
62	Bekkersdal West Clinic	49
63	Pharmacy Direct (CCMDD Pharmacy)	49

GROUP 6 (50-59KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
64	Tembisa Hospital	51
65	Pholosong Hospital	52
66	Levai Mbatha CHC	55
67	Empilisweni Clinic	56
68	Meyerton Clinic	58
69	F.P.S Sebokeng	59

GROUP 7 (60-69KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
70	Pta Correctional Pharmacy	60
71	Sebokeng Hospital	60
72	F.P.S Pretoria	61
73	Mogale Clinic (Magalies)	61
74	F.P.S Springs	62
75	Far East Rand Hospital	62
76	F.P.S Heidelberg	63
77	Laudium CHC	64
78	East Rand Regional Pharmacy	66
79	Pretoria West Hospital	66
80	Institute of Virology	67
81	Kopanong Provincial Hospital	69



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GROUP 8 (70-79KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
82	Tshwane Metsweding Regional Pharmacy	70
83	Weskoppies Hospital	71
84	Forensic Histology Laboratory	72
85	Johan Heyns CHC	72
86	Pretoria Dental Hospital	72
87	Simunye Clinic	72
88	Tshwane Rehabilitation Centre	72
89	Heidelberg Hospital	73
90	Pretoria Oral & Dental Teaching Hospital	73
91	Tshwane District Hospital	73
92	Vaal District Pharmacy	73
93	Kalafong Hospital	77
94	Steve Biko Academic Hospital	77
95	Mamelodi Hospital	78
96	Carletonville Hospital	79

GROUP 9 (80-99KM)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
97	Medunsa Dental Hospital	88
98	Eersterus CHC	90
99	Khutsong CHC	90
100	Khutsong Ext 3	92
101	F.P.S Garankuwa	93
102	Stanza Bopape CHC	94
103	ODI District Hospital	95

GROUP 10 (100KM and above)		
NO.	FACILITY NAME	ESTIMATED KM (ONE WAY)
104	Dr. George Mukhari Academic Hospital	104
105	Usizolwethu Clinic	104
106	Cullinan Rehabilitation Centre	105
107	Soshanguve CHC	105
108	Magaliesoord	110
109	F.P.S Bronkhorstspuit	115
110	Bronkhorstspuit Hospital	118
111	Jubilee Hospital	122



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### 3. LEGISLATIVE AND REGULATORY FRAMEWORK

#### 3.1 The General Conditions of Contract (GCC):

This bid and all contracts emanating from this tender will be subject to the General Conditions of Contract (GCC), as issued by National Treasury in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The general conditions are available on the National Treasury website ([www.treasury.gov.za](http://www.treasury.gov.za)).

#### 3.2 The Special Conditions of Contract (SCC):

The Special Conditions of Contract (SCC) are supplementary to that of the General Conditions of Contract. Where the Special Conditions of Contract conflict with the General Conditions of Contract, the Special Conditions of Contract shall prevail.

#### 3.3 Other legal prescripts:

The Gauteng Department of Health provides Public Health Services. The physical protection function is regulated by the following acts:

- a. The Constitution of South Africa, Section 217
- b. Broad-Based Black Economic Empowerment Act, 2003 (Act. No. 53 of 2003)
- c. Public Finance Management Act, 1999 (Act No. 1 of 1999)
- d. Preferential Procurement Policy Framework Act no. 5 OF 2000
- e. Preferential Procurement Regulations, 2017
- f. Open Tender Framework
- g. Gauteng Finance Management Supplementary Amendment Act 6 of 2019
- h. Criminal Procedure Act, 1977 (Act 51 of 1977).
- i. Constitution of the Republic of South Africa, 1996 (Act 106 of 1996)
- j. Protection of Information Act, 1982 (Act no 84 of 1982)
- k. Promotion of Access to Information Act, 2000 (Act no 2 of 2000)
- l. Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- m. Occupational Health and Safety Act, 1993 (Act no 85 of 1993)
- n. Criminal Procedures Act, 1997, (Act 51 of 1977), as amended
- o. Private Security Industry Regulations Act, 2001 (Act 56 of 2001)
- p. Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985)
- q. Trespass Act, 1959 (Act 6 of 1959)
- r. Information Act, 2002 (Act 70 of 2002)
- s. Labour Relations Act, 1995 (66 Of 1995)
- t. Employment Equity Act, 1998 (Act 55 of 1998)
- u. Fire-arms Control Act, 2000 (Act 60 of 2000) and regulations
- v. Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963



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### 4 THE FORMAT OF THE BID DOCUMENT

The bidders must submit the bid in a lever arch file in the format, as per Table 1 below.

Table 2: The Bid Format

Part of Bid Submission	Required documents
<b>Part 1</b>	<p>Section 1: Technical Proposal of the tender</p> <p>All the documents must be read, completed, signed where applicable and submitted. Application document should be submitted in English language.</p> <ol style="list-style-type: none"> <li>1) SBD 01: Invitation to Bid</li> <li>2) SBD 04: Declaration of Interest</li> <li>3) SBD 08: Certification and Declaration of Bidder's Past Supply Chain Management Practices.</li> <li>4) SBD 09: Certificate of Independent Bid Determination</li> <li>3) Certified proof of registration with all the under-mentioned relevant Institutions and/ or Authorities must be attached to the Bid:               <ol style="list-style-type: none"> <li>a. A valid original or a certified copy of Workman's Compensation Certificate. (WCC)</li> <li>b. A valid original or a certified copy of Unemployment Insurance Fund. (UIF)</li> <li>c. Proof of Company registration with the National Bargaining Council for Freight, Air and Logistic industry (Provide proof of certification of registration with the National Bargaining Council)</li> <li>d. Goods in transit insurance - Cover for any losses or damages caused by the company during relocation.</li> <li>e. Proof of Liability insurance cover of a minimum R 5 000 000 must be attached.</li> </ol> </li> <li>6) Bidder must be registered with CSD and provide a Supplier Master Registration Number (MAAA number).</li> <li>7) Tax Clearance Requirements: A printout via SARS e-Filing of the valid Tax Compliance Status (TCS) PIN, must be submitted with the bid documents at the closing date and time of the bid. In bids where consortia, joint ventures and sub-contractors are involved, each party must submit a separate PIN. The PIN, which is issued by the South African Revenue Services, can be used by third parties to verify the compliance status of the bidder online via SARS e-Filing.</li> </ol>
<b>Part 2</b>	All the supporting documents of proof required for the Functionality Evaluation:





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	<ul style="list-style-type: none"> <li>i. Company profile</li> <li>ii. Training and development program plan</li> <li>iii. Contingency plans</li> <li>iv. Transportation registration documentation</li> <li>v. Driver's license (PDP)</li> <li>vi. Reference letters</li> </ul> <p><b>NB:</b> All mandatory documents Commissioned and/or Certified Copies must be in line with the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963.</p>
<b>Part 3</b>	<p>Section 2: Financial Proposal of the tender.</p> <p>Completed Price Schedule document, referred to as <b>Annexure A</b> must be captured and saved on a CD or memory stick as PDF.</p> <ul style="list-style-type: none"> <li>1) SBD 3.3: Price Schedule – Non-firm price</li> <li>3) SBD 6.1: Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017</li> </ul> <p><b>NB:</b> All mandatory documents Commissioned and/or Certified Copies must be in line with the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963.</p>

## 5. SCOPE OF WORK

### 5.1 EXPECTED DELIVERABLE AND OUTCOMES

- 5.1.1 Loading of stock at the Medical Supplies Depot
- 5.1.2 The transportation of stock from the Medical Depot to the Gauteng Healthcare facilities
- 5.1.3 Unloading of stock at the Healthcare facilities
- 5.1.4 Delivery documentation
- 5.1.5 Collecting of empty Security Rolltainers and cooler boxes from Healthcare Facilities

### 5.2 Each delivery will be accompanied by the following documentation:

- a. The delivery note, three copies and must contain the following:

- MMS delivery note/invoice number
- Health facility order number
- Dispatch date
- Name of dispatcher
- List of health products with quantities, batch numbers and expiry date
- Space for comments, by the recipient on the delivery
- Confirmation of cold chain maintenance



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- b. For each completed delivery the following documentation must be returned to MMS:
  - i. Electronic delivery note
  - ii. One hard copy of the signed delivery note/invoice
  - iii. The service provider and the MMS will agree in the contract and SLA on the frequency of exchange of these documents.
- c. The service provider will be required to load the pharmaceuticals at the Medical Supplies Depot in Auckland Park on a daily basis and deliver to healthcare institutions in the Gauteng province.

### 5.2 VEHICLE AND HUMAN RESOURCE REQUIREMENTS

- 5.2.1 Service Provider must provide trucks for the distribution of pharmaceutical items to the delivery points in annexure A.

Quantity: 8 trucks  
Type: Enclosed body  
Load capacity: 8 ton

- 5.2.2 Trucks must be equipped with a suitable lifting device (tail lift) to load and offload Rolltainers.

- 5.2.3 All trucks must have real time tracking devices and vehicle monitoring 24-hours a day to ensure no deviation, or on-route stopping.

- 5.2.4 Such trucks mentioned in 5.3.1 above, must be enclosed, lockable with a tamper proof locking mechanism and will be locked with bolt seals, with seal numbers that can only be opened by a bolt cutter, thereby destroying the seals. The truck seals will be supplied by the Medical Supplies Depot.

- 5.2.5 Each truck must be equipped with their own bolt cutter.

- 5.2.6 The personnel required for this contract must consist of:

1 x Site manager (must at least have three years' experience).  
8 x Drivers (must have valid driver's license with Professional Driver's Permit (PDP)).  
16 x Drivers assistants (loading and off-loading of trucks)

Total crew: 25



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- 5.2.7 Drivers and driver's assistants must be rotated on a daily basis. The same team must not go to the same delivery point every week.
- 5.2.8 Trucks must return to the Depot after deliveries and remain on site for immediate availability.
- 5.2.9 Trucks must be equipped with a temperature monitoring system for both the ambient temperature and the cold chain items in the truck during travelling and at the point of delivery.
- 5.2.10 The truck must have a temperature monitoring system for the cold chain items that could be traced from dispatch, during transit and at the point of delivery.
- 5.2.11 It is the responsibility of the Service Provider to supply cooler boxes for the transportation of cold chain pharmaceutical items to Healthcare Facilities. The Service Provider must be able to provide 50 cooler boxes per day.

Cooler box specification:

Type : Polystyrène

Average size: (a) 30cm (L) x 20cm (W) x 15cm (H)  
(b) 45cm (L) x 20cm (W) x 20cm (H)  
(c) 50cm (L) x 50cm (W) x 20 cm (H)

- 5.2.12. Procedures should be in place to ensure that the integrity of the products is not compromised during transportation.
- 5.2.13. There must be temperature logs for the stock that has been transported for that particular day.
- 5.2.14. Once a year, a validation certificate of the temperature monitoring system in the trucks must be done and submitted to the Responsible pharmacist.
- 5.2.15 Pharmaceutical products should be stored and transported in accordance with procedures such that:
- a. Adequate precautions are taken against spillage, breakage, misappropriation and theft; and
  - b. Appropriate temperature and relative humidity conditions are maintained in the case of pharmaceutical products, e.g. using cold chain for thermolabile products.



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- 5.2.16 Damage to containers medicine and any other event or problem which occurs during transit must be recorded and reported to the Responsible Pharmacist.
- 5.2.17 Sufficient security should be provided to prevent theft and other misappropriation of pharmaceutical products. Steps should be taken to prevent unauthorised access to these products during transport.
- 5.2.18 Spillages should be cleaned as soon as possible to prevent possible contamination, cross-contamination and hazards. Written procedures should be in place for the handling of such occurrences. Spillages must be reported to the Responsible Pharmacist for immediate action.
- 5.2.19 Drivers of vehicles should identify themselves and present appropriate documentation to demonstrate that they are authorised to transport the load.
- Must have Id cards
  - Must produce invoices

### 5.3 DELIVERY REQUIREMENT

- 5.3.1 Service Provider must deliver at delivery points as listed in annexure A (*see attached*).
- 5.3.2 Deliveries to the delivery points in annexure A must be delivered by 12h00 pm on the same day that the supplies were dispatched. Changes due to unforeseen circumstances will be negotiated and communicated.
- 5.3.3 The Medical Supplies Depot will provide the Service Provider with a route list for daily deliveries.
- 5.3.4 The Medical Supplies Depot will inform the contracted Service Provider the previous afternoon before 15:00, of the number of Rolltainers to be picked up at Medical Supplies Depot for delivery to delivery points the following day.
- 5.3.5 It will be the Service Provider's responsibility to ensure proper route planning is done, to allow for optimum vehicle utilization.
- 5.3.6 It will be the Service Provider's responsibility to ensure only authorized returns from the site are executed, after approval by the MSD, using the prescribed documentation (in accordance with MSD's SOP).



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5.3.7 Collection of items for delivery points mentioned in annexure A must be done between 07:45am and 09:00am at Auckland Park Medical Suppliers Depot on a daily basis, Mondays to Fridays.

### **5.4 SECURITY ROLLTAINERS**

5.4.1 The Medical Supplies Depot delivers pharmaceuticals to all healthcare facilities by using Security Rolltainers.

5.4.2 The Medical Supplies Depot will provide Security Rolltainers for deliveries.

5.4.3 The Service Provider must make provision for an electronic monitoring system (barcode scanning system) to track & trace security rolltainers linked to MSD asset barcode numbers. This system must be accessible by both MSD and service provider in order to monitor trolleys and goods in transit.

5.4.4 The safeguarding of pharmaceuticals whilst “in transit” is the responsibility of the Service Provider after acknowledgement of dispatch document until delivered to the end destination i.e. any loss or damage to stock in transit will be to the account of the Services Provider.

5.4.5 The Service Provider cannot insist on waiting for Security Rolltainers to be unpacked at the end of destination on day of delivery. Unpacking and checking must be done within 48 hours by the Health institutions.

5.4.6 The Service Provider will be responsible to return all empty Security Rolltainers to the Medical Suppliers Depot within 48 hours from the delivery time (excluding weekends and public holidays)..

5.4.7 If delivery is not done in accordance to point 5.3.2 above; then any losses due to refrigerated items failing to comply with cold chain requirements, will be for the account of the Service Provider.

5.4.8 The Service Provider must provide anti-tamper, plastic, numbered, security seals to secure the Security Rolltainers (Two seals per Rolltainer).

5.4.9 Seals must have a unique number sequence.

5.4.10 Seals must be tamper proof and strong and must be discarded when opened.

5.4.11 Should the need arise for stock not to be delivered in Security Rolltainers, but on pallets the following should be considered and costed accordingly:



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- a. Average size of a pallet:  $\pm 1.5\text{m} \times 1\text{m}$
- b. Maximum weight: 540kg

On such occasions MSD, will provide a manual pallet jack, should this pallet jack be lost it will be the responsibility of the service provider to replace it within five (5) days.

### 5.5. RESPONSIBILITIES OF THE SERVICE PROVIDER

The Service Providers are required to submit the proposal containing the following:

- 5.5.1 The original certified copies of all certificates and documents (ID copy, roadworthy certificate, vehicle ownership documents, letter of commitment/intent from the vehicle leasing companies.
- 5.5.2 Submit a strategy for distribution outlining all processes and procedures that the bidder shall implement to deliver on this bid including, but not limited to the following:
- 5.5.3 The company profile highlighting management skills, training and development plan, technical experience, roles and responsibilities of the main team members.
- 5.5.4 Communication plan including communication with drivers and the department.
- 5.5.5 Fleet management capability.
- 5.5.6 Back-up for breakdowns and turnaround time to respond to breakdowns.
- 5.5.7 Routine maintenance of the vehicles.
- 5.5.8 The price charged by the contractor shall be for the trips undertaken to deliver the goods to the healthcare facilities and return.
- 5.5.9 Service Provider must provide invoices for finance claims in accordance to the MSD trip documents (AP111's) on a weekly basis.
- 5.5.10 Service Provider to submit reconciliation reports for Rolltainers in circulation on a weekly basis.
- 5.5.11 The Service Provider shall ensure that they have one manager and a mobile office on site.
- 5.5.12 Service Provider must provide MSD with the best monitoring system for the Security Rolltainers when delivered to and returned from institutions.
- 5.5.13 Service provider must ensure that their temperature and humidity control system is always in good condition.
- 5.5.14 Service provider must provide the depot with daily temperature logs for every truck that transported stock on that day.
- 5.5.15 Service provider must provide the depot with validation certificate for their temperature and humidity control once a year.
- 5.5.16 Service provider must provide cooler boxes for the transportation of cold chain items or any validated temperature monitoring containers for the transportation of cold chain items.



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### **5.6 RIGHTS OF THE PRINCIPAL**

- 5.6.1 The Principal reserves the right to add new delivery points, emergency deliveries, and new departure points by arrangement with the Service Provider that will necessitate extra vehicles when required.
- 5.6.2 The Principal reserves the right to cancel deliveries to any of the delivery points with thirty (30) days' notice to the Service Provider.

### **5.7 PENALTIES**

- 5.7.1 In the event of non-performance or failure to perform in accordance with the tender agreement, penalties shall be invoked by the Principal and be deducted from the payment due to the Service Provider.
- 5.7.2 Failure to provide eight (8) trucks as required will result in penalties as per service level agreement.
- 5.7.3 Failure to return Rolltainers within 48 hours after delivery will result in penalties as per service level agreement. Unless prior communication with the MSD.
- 5.7.4 Failure to deliver consignments within eight (8) hours including failure of cold chain will also result in penalties as per service level agreement.
- 5.7.5 Failure to replace the lost pallet jack within five (5) days, will result in with be lost it will be the responsibility of the service provider to replace it within five (5) days.

### **5.8 PROJECT MANAGEMENT**

- 5.8.1 A project management team will be established comprising of two representatives of the Principal and two of the Service Provider.
- 5.8.2 The team will manage the project in terms of the tender specification as well as the service level agreement.





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### 6. EVALUATION METHODOLOGY

The evaluation of the bids will be done in accordance with the requirements of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and the Preferential Procurement Regulations, 2017 in two stages:

- Stage 1A: Pre-qualification Criteria for Preferential Procurement
  - Stage 1B: Mandatory Administrative Responsiveness
  - Stage 1C: Functionality Evaluation
  - Stage 2: Price and Preference Points Evaluation
- The 80/20 preference point system will be applicable as per preferential procurement regulation section 3(a)(ii)

#### STAGE 1A: PRE-QUALIFICATION CRITERIA FOR PREFERENTIAL PROCUREMENT

In terms of the Preferential Procurement Regulations, 2017, par. 4(1)(b). Therefore, only bidders that meets one of the following criteria:

1. Level 1 to 4 B-BBEE Status Level of Contributor
- or
2. Qualifying Small Enterprise (QSE's)

**Note: The following compulsory documents must be submitted for the verification process of B-BBEE Status Level of Contribution QSE status validation:**

- Only an original or certified copy of a valid B-BBEE Status Level Verification Certificate from a SANAS accredited B-BBEE Verification Agency
- or
- Bidder who qualifies as a QSE (B-BBEE level 1 and 2), must submit an original or certified copy of a valid Sworn Affidavit, signed by the QSE representative and commissioned by a Commissioner of Oaths in line with the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963 (the applicable QSE template should be downloaded from the CIPC or DTI websites).

#### **Additional Notes:**

- In case of a trust, consortium or joint venture, a copy of the agreement signed by all party representatives must be submitted together with an original or certified copy of a valid Consolidated B-BBEE Status Level Verification Certificate from a SANAS accredited B-BBEE Verification Agency.



## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

- All certifications as a “true copy of the original”, must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963 and its Regulations promulgated in Government Notice GNR 1258 of 21 July 1972 Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963.

**If a bidder does not meet the requirements stated above the bid will be disqualified and not considered for further evaluation.**

### STAGE 1B: MANDATORY ADMINISTRATIVE RESPONSIVENESS

Only bidders who have complied with the Pre-Qualification Criteria for Preferential Procurement will be evaluated for the Mandatory Administrative Responsiveness Compliance Evaluation.

Note: All the certified copies must have a date of certification and should not be older than three (3) months.

- a. A valid original or a certified copy of Workman’s Compensation Certificate. (WCC)
- b. A valid original or a certified copy of Unemployment Insurance Fund. (UIF)
- c. Registration Certificate from the National Bargaining Council for Freight, Air and Logistic industry (Provide proof of certification of registration with the National Bargaining Council)
- d. Insurance Certificate  
Goods in transit insurance - Cover for any losses or damages caused by the company during relocation.
- e. Proof of Liability insurance cover of a minimum R 5 000 000 must be attached.
- g. All SBD’s must be read, completed, signed where applicable and submitted.
  - i. SBD 1: Invitation to Bid
  - ii. SBD 3.3: Price Schedule/ (including Annexure B)
  - iii. SBD 4: Declaration of Interest
  - iv. SBD 8: Certification and Declaration of Bidder’s Past Supply Chain Management Practices
  - v. SBD 9: Certificate of Independent Bid Determination

**If a bidder does not meet the requirements stated above the bid will be disqualified and not considered for further evaluation.**



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**STAGE 1C: FUNCTIONALITY EVALUATION**

Only bidders who have complied with all of the Stage 1A: Pre-Qualification Criteria for Preferential Procurement and the Stage 1B: Mandatory Administrative Compliance requirements will be evaluated for the Functionality Evaluation.

The Bid Evaluation Committee (BEC) responsible for scoring the bids will evaluate and score all bids for functionality, based on the criteria, as per the below Table 2: The appointment of a service provider for the Distribution of Pharmaceutical items to various Gauteng Healthcare facilities for a period of three years.

The minimum threshold score of 34 points for functionality shall apply. Bids with a score below the minimum threshold score shall be declared non-responsive and set aside.

Bidders must, as part of the bid documents, submit supporting documents for all functionality requirements, as indicated further below.

The minimum threshold score is 34 points out of 52 points for functionality. Bids will be declared non-responsive and set aside, if such a bid does not meet the threshold of 34 points.

If a bidder does not meet the requirements stated above the bid will be disqualified and not considered for further evaluation.

Table2: The Functionality Evaluation

No.	Criteria	Description	Points Allocated
1	Company experience	<p>Bidder to provide reference letter/s indicating the previous contracts in the past 10 years.</p> <p>Format of letter: The reference letter/s must not be older than 3 months and must be on the letterhead of the previously serviced client and should reflect at least name of the client, title of the related work conducted, year conducted and completed, contactable reference name and contact details and signed by the appropriate delegate. The reference letter must indicate the quality of the service rendered.</p> <ul style="list-style-type: none"> <li>• 10 and more years of experience (10 points)</li> <li>• 8 to 9 years of experience (8 points)</li> <li>• 6 to 7 years of experience (6 points)</li> <li>• 4 to 5 years of experience (4 points)</li> <li>• 2 to 3 years of experience (2 points)</li> <li>• 0 to 1 year of experience (0 points)</li> </ul>	10



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2	Trucks & Mobile Office	<p>Bidder must attach proof that they will supply eight enclosed body trucks with a load capacity of 8 tons for the distribution of pharmaceutical items service as follows:</p> <p>a. Provide proof of ownership or valid lease agreement(s) for each of the eight trucks. (8)</p> <ul style="list-style-type: none"> <li>• 8 proof of ownership or valid lease agreement(s) for each of the eight trucks (8 points)</li> <li>• 7 proof of ownership or valid lease agreement(s) for each of the eight trucks (7 points)</li> <li>• 6 proof of ownership or valid lease agreement(s) for each of the eight trucks (6 points)</li> <li>• 5 proof of ownership or valid lease agreement(s) for each of the eight trucks (4 points)</li> <li>• 4 proof of ownership or valid lease agreement(s) for each of the eight trucks (2 points)</li> <li>• 3 proof of ownership or valid lease agreement(s) for each of the eight trucks (3 points)</li> <li>• 2 proof of ownership or valid lease agreement(s) for each of the eight trucks (2 points)</li> <li>• 0 proof of ownership or valid lease agreement(s) for each of the eight trucks (0 point)</li> </ul> <p>b. Provide letter of commitment from the bank/ rental company for the supply of eight trucks should contract be awarded to successful bidder. (1)</p> <ul style="list-style-type: none"> <li>• No letter of commitment from the bank/ rental company for the supply of eight trucks should contract be awarded to successful bidder (0 point)</li> </ul> <p>c. Provide proof of ownership or lease agreement document to ensure that they will have a mobile office on site (1)</p> <ul style="list-style-type: none"> <li>• No proof of ownership or lease agreement document to ensure that they will have a mobile office on site (0 point)</li> </ul>	10
3	Personnel	<p>Bidder must submit the following human resource requirements.</p> <p>a. Provide a list of all the crew consisting of:</p> <ul style="list-style-type: none"> <li>8 x drivers</li> <li>16 x driver's assistants</li> <li>1 x site manager</li> </ul>	12



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		<p>In the following format of list: It must have the following columns (name and surname of the employees, contact number, and years of experience) (1)</p> <ul style="list-style-type: none"> <li>No information provided as per (a) above (0 point)</li> </ul> <p>b. Provide valid certified copies of driver's licenses with Professional Drivers' Permit (PDP) for the 8 x drivers. (8)</p> <ul style="list-style-type: none"> <li>No 8 valid certified copies of driver's licenses with Professional Drivers' Permit (PDP) for the 8 x drivers (0 point)</li> </ul> <p>c. Provide a CV of the site manager indicating years of experience managing a courier service. (3)</p> <ul style="list-style-type: none"> <li>3 and more years of experience (3 points)</li> <li>2 years of experience (2 points)</li> <li>1 years of experience (1 points)</li> <li>0 years of experience (0 points)</li> </ul>	
4	Standard Operating Procedures	<p>Bidders must provide approved documented standard operating procedures (SOPs) pertaining to safeguarding of pharmaceutical items in transit.</p> <ol style="list-style-type: none"> <li>Planning of daily scheduled trips (1)</li> <li>On-loading of pharmaceutical items into trucks. (1)</li> <li>Securing goods in transit (goods in transit be sealed and locked). (2)</li> <li>Temperature monitoring of pharmaceutical items in transit (ambient) (1)</li> <li>Temperature monitoring of pharmaceutical items in transit (cold chain) (1)</li> <li>Spillage cleaning and reporting. (1)</li> <li>Off-loading of consignment at healthcare facilities (1)</li> <li>Communication with drivers (1)</li> <li>Incident reporting (1)</li> </ol>	10
5	Contingency Plan	<p>The bidder must provide a comprehensive contingency plan in case of the following:</p> <ol style="list-style-type: none"> <li>Mechanical breakdown during load in transit (1)</li> <li>Emergency delivery (1)</li> <li>Hijacking (1)</li> </ol>	6



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		d. Labour unrest (by company personnel and departmental personnel). (2) e. Backup truck and drivers. (1)	
6	Technology	The bidder must provide an electronic system(s) for tracking/ tracing of trucks and security rolltainers. a. Provide proof of electronic system to be utilized for the tracking of trucks. As proof submit samples of the system generated activity reports. i. Provide proof of electronic system (1) ii. Submitted samples of the system generated activity reports (1) <ul style="list-style-type: none"> <li>• No proof of electronic system to be utilized for the tracking of trucks (0)</li> <li>• No proof submit samples of the system generated activity reports (0)</li> </ul> b. Provide proof of electronic monitoring system to be utilized for the tracking/ reporting of security rolltainers. As proof submit samples of the system generated activity reports. i. Provided proof of electronic monitoring system to be utilized for the tracking/ reporting of security rolltainers. (1) ii. Submitted samples of the system generated activity reports. (1) <ul style="list-style-type: none"> <li>• No proof of electronic monitoring system to be utilized for the tracking/ reporting of security rolltainers. (0)</li> <li>• No samples of the system generated activity reports. (0)</li> </ul>	4
<b>Total Points</b>			<b>52</b>
<b>Minimum Threshold</b>			<b>34</b>

Only bidders who complied with the functional evaluation will be evaluated for price and preference points evaluation.

The Department reserves the right to inspect the bidders' premises at a reasonable time. The bidders must meet the Departmental staff on their sites and co-operate with them and furnish the information they require. Bidders' sites visit will be conducted to the winning bidder only and the Bidder's site must conform to the requirements of the Department.



## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

### STAGE 2: PRICE AND PREFERENCE POINTS EVALUATION

Only bidders who have complied with all the site evaluation will be considered for the price and preference evaluation.

The bids will be evaluated according to the 80/20 preference point system, which is applicable to bids with a Rand value equal to, or above R30 000 and up to a Rand value of R 50 million (all applicable taxes included), shall be applied, where a maximum of 80 points will be allocated for price and maximum of 20 for preference points (BBBEE level of contribution) in terms of the requirements of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and the Preferential Procurement Regulations, 2017.

Bidders are referred to the SBD 3.3 and Annexure A for pricing schedule and the SBD 6.1 for the Preference Point System

The bid prices will be compared on the basis of the

- i. Rate: Rand per security rolltainer taking into consideration the distance between the delivery point and the Medical Supplies Depot.
- ii. Rate: Rand per pallet (as and when required)

## 7. SPECIAL CONDITIONS

### 7.1 Copyright

This document may be reproduced and distributed under the strict condition that the content hereof is not altered, unless the alteration has been done by authorized personnel stipulated by the GPT and the normal GPT document control procedures are followed.

### 7.2 Penalties

In the event of non-performance or failure to perform in accordance with the tender agreement, penalties shall be invoked by the Principal and be deducted from the payment due to the Service Provider.

7.2.1 Failure to provide eight (8) trucks as required will invalidate the contract.

7.2.2 Failure to deliver as per delivery schedule will result penalties being levied against the service provider.





## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

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### 7.3 Cession

Neither party shall have the right to cede any of its rights or delegate any of its obligations in terms of this contract to another person or organisation without the prior written approval of the other party.

### 7.4 Use of fluid correcting substances

The use of any corrective fluid/tape is strictly prohibited and will result in the disqualification of the bidder from the evaluation process.

### 7.5 Highly Recommended Briefing Session

The highly recommended briefing session will be held at the venue that will be provided during the advert. Prospective bidders are recommended to attend a highly recommended briefing session. Failure to attend the briefing session will not lead to disqualification of a bid.

### 7.6 Compulsory Site visit

The GDOH reserve the right to conduct the compulsory site visit and requests for additional information prior to final award.

### 7.7 Right and obligation

In order to safeguard the premises and/or vehicles and the contents thereof as well as the people therein or thereon the Security Service Provider must do this by the application of the Control of Access to Public Premises and Vehicles Act 53 of 1985.

- a. Provide an on-site supervisor, available at all times

### 7.6 The GDOH shall:

- a) Conduct business in a courteous and professional manner with the Service Provider.
- b) Not accept responsibility for any damages suffered by the Service Provider or their personnel for the duration of the contract.
- c) Not accept any responsibility of accounts/expenses incurred by the Service Provider that was not agreed upon by the contracting parties.
- d) Provide a storage facility for transportation, equipment and materials.



## **TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS**

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### **7.7 Payment Terms**

Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3 regulates the payment to suppliers within 30 days of invoice receipt. In support of this it is compulsory for the successful bidder/s, on award, to register for GPT Electronic Invoice Submission and Tracking.

### **7.8 Lines of Communication and Reporting**

The appointed Service Provider will be required to report to the designated GDOH official located at the Facilities Unit, who will be introduced to the successful Service Provider on appointment.

## **8. THE BID AWARD CONDITION**

### **8.1 The conditions of the bid award**

- a. The Gauteng Department of Health reserves the right not to award or cancel the bid, as stipulated in Regulation 13 of the PPR, 2017.
- b. The Gauteng Department of Health reserves the right to negotiate further with preferred bidders, where prices are above the market related pricing as stipulated in Regulation 6 (9) (b) of the PPR, 2017.
- c. Registration on the National Treasury Central Supplier Database. All contracted suppliers must ensure that they register with National Treasury Database at award stage
- d. The Gauteng Department of Health reserves the right to do due diligence evaluation of the selected bidder/s.
- e. The Gauteng Department of Health reserves the right to make a single bid award of the service.

### **8.2 Travel**

The Gauteng Department of Health will not be liable for any other travel costs incurred by the bidder. Prices quoted must be furnished based on “rendered on site” at the Gauteng Department of Health Central Office.

### **8.3 Counter conditions**

Bidders’ attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.



## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

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### 8.4 Fronting

- a. The Gauteng Department of Health supports the spirit of broad based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the National Treasury condemns any form of fronting.
- b. The Gauteng Department of Health, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents.
- c. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist.
- d. In line with Regulation 14 of the PPR, 2017, failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder/contractor concerned.

### 8.5 Contract period

The contract period shall be for a period of three years.

### 8.6 Validity Period

The validity period of the bid will be 90 days from the closing date of the advert

### 8.7 Mergers, take overs and changes in supplier detail

- a. Where a contracted supplier merges with or is taken over by another, the contracted supplier must inform the Department of Health in writing immediately (within 7 days) of relevant details.
- b. The Department of Health reserves the right to agree to the transfer of contractual obligations to the new supplier under the prevailing conditions of contract or to cancel the contract.
- c. A contracted supplier must inform the Department of Health within 7 days of any changes of address, name or banking details.

### 8.8 Third parties



## TERMS OF REFERENCE OF CONTRACT GT/GDH/109/2021 -THE DISTRIBUTION OF PHARMACEUTICAL ITEMS TO GAUTENG HEALTHCARE FACILITIES FOR THE MEDICAL SUPPLIES DEPOT FOR A PERIOD OF THREE YEARS

- d. Participating authorities will not make a payment to or consult regarding orders with a third party.
- e. No third party is entitled to put an account on hold.

### 9. PRICE SCHEDULE

The bidders must complete the Price Schedule as follows:

#### Annexures A and B

- a. Completed Price Schedule document, referred to as the tender pack as well as an electronic copy in Excel format (PDF), captured and saved on a CD or memory stick.
  - 1) SBD 3.3: Price Schedule – Professional Services
- b. Hard Copy Format:  
The original (hard copy) must be written clearly and legibly.
- c. Soft Copy Format:  
The electronically (soft copy) must be submitted on a CD or memory stick to the Gauteng Provincial Treasury Tender Office. The CD or memory stick must be clearly marked with the Company Name and tender number.
- d. The Price Schedule in Excel (Annexure B) format that is attached below must be completed in order to submit it in original.
- e. The bidders must ensure that there are no discrepancies between the electronic (soft copy) saved on a CD or memory stick and the original hard copy submissions of the Price Schedule. If any discrepancies are detected, the hard copy document will take precedence over the electronic copy. The Gauteng Department of Health may contact the bidder, but shall not be obliged to do so, for clarification regarding any discrepancies found.
- f. Each original bid with the CD or memory stick must be submitted in a one, sealed envelope to Gauteng Provincial Treasury, Tender Box before the closing date and time. The name and address of the bidder, the bid number and the closing date must be clearly endorsed on the sealed envelope.

### 10. POST AWARD REPORTING

Historical Data:

All successful bidders maybe required to submit historical value and volume reports via e-mail on a quarterly (3) monthly basis to:

Gauteng Department of Health, Directorate: Acquisition and Contract Management

### 11. TECHNICAL ENQUIRIES

All technical queries must be emailed to:



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**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Registered Supplier Confirmation**

Page 1 of 1

**THIS FORM IS TO BE COMPLETED BY REGISTERED SUPPLIERS ONLY**

## PLEASE NOTE:

SUPPLIERS ARE REQUIRED TO PROVIDE THEIR REGISTERED CENTRAL SUPPLIER DATABASE (CSD) NUMBER \_\_\_\_\_

For confirmation of your supplier number and/or any assistance please call the GPT Call Centre on **0860 011 000**.

Registered Suppliers to ensure that all details completed below are CURRENT.

MANDATORY SUPPLIER DETAILS			
GPT Supplier number			
Company name (Legal & Trade as)			
Company registration No.			
Tax Number			
VAT number (If applicable)			
COIDA certificate No.			
UIF reference No.			
Street Address		Postal Address	
CONTACT DETAILS			
Contact Person		Telephone Number	
Fax Number		Cell Number	
e-mail address		Principal's Id number	
BANKING DETAILS (in the name of the Company)			
Bank Name		Branch Code	
Account Number		Type of Account	

**I HEREBY CERTIFY THAT THIS INFORMATION IS CORRECT.**

Name(s) & Signature(s) of Bidder(s)

DATE:



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Tax Clearance Requirements**

Page 1 of 1

## IT IS A CONDITION OF BIDDING THAT -

- 1.1 The taxes of the successful bidder **must** be in order, or that satisfactory arrangements have been made with the South African Revenue Service to meet his / her tax obligations.
- 1.2 The South African Revenue Service (SARS) from the 18 April 2016 has introduced an enhanced Tax Compliance Status System, whereby taxpayers will obtain their Tax Compliance Status (TCS) PIN instead of original Tax Clearance Certificate hard copies.
- 1.3 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.
- 1.4 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](http://www.sars.gov.za).
- 1.5 In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Compliance Status (TCS) / PIN / CSD Number.
- 1.6 Where no TCS is available but the bidder is registered on the Central Supplier Database (CSD), a CSD Number must be provided.

## QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- |     |   |     |                          |    |                          |
|-----|---|-----|--------------------------|----|--------------------------|
| 2.1 | Is the bidder a resident of the Republic of South Africa (RSA)? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.2 | Does the bidder have a branch in RSA?                           | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.3 | Does the bidder have a permanent establishment in the RSA?      | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.4 | Does the bidder have any source of income in the RSA?           | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |

**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 ABOVE 1.4 ABOVE.**



# Provincial Supply Chain Management

**Financial Statements**

**Page 1 of 1**

## Submission of Financial Statements

The latest financial statements for the last two years are required (except if it is a new or a dormant entity)

a) Financial statements must be signed by the auditor (in the case of companies) or the accounting officer (in the case of close corporations) the owner (in case of sole proprietors). Signatures must be on the accounting officer's / auditors report on the auditor's /accounting officer's letterhead.

b) Financial statements must be signed by the member/s (in the case of close corporations) or by the director/s (in the case of companies.)

c) In bids where consortia/joint ventures/sub-contractors and partnerships are involved, all bidders must submit their financial statements.

d) If it is a new or dormant entity an opening set of financial statements must be submitted with the tender document. A letter from the auditor (in the case of companies) or the accounting officer (in the case of close corporations) stating that the entity has not yet traded must be attached.

e) In cases where an entity has operated for a period less than a year the Management Accounts Report for the period in operation must be submitted signed accordingly as stated in paragraph (a) and (b) of this document.

f) In cases where the entity has operated for a period more than a year but less than two years, then the financial statement for the first year of operation signed accordingly as per paragraph (a) and (b) of this document must be submitted.



**SBD 9****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.

**SBD 9****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

**SBD 9**

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

**SBD 9**

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

**Annexure A****GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT  
July 2010****NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 “Day” means calendar day.
  - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
  - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
  - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the 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**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

**security**

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections, tests and analyses**

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

cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

## **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

may have against the supplier under the contract.

## **16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

## **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

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

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

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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



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

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)