



# correctional services

Department:  
Correctional Services  
**REPUBLIC OF SOUTH AFRICA**

Private Bag X9013, EAST LONDON, 5200 – Block E, Ocean Terrace Building, Moore Street, Quigney, EAST LONDON, 5200  
Tel (043) 7067800, Fax (043) 7221055

Ref : 6/1/3/4  
Enq : E. Sirgel

The Manager

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

Sir

**BID RCECB 22/2021: SUPPLY & DELIVERY OF COAL PEAS FOR A PERIOD OF TWENTY FOUR (24) MONTHS: KIRKWOOD MANAGEMENT AREA: DEPARTMENT OF CORRECTIONAL SERVICES.**

The Department of Correctional Services requires the item(s)/service(s) as described per attached bid invitation.

You are requested to complete the bid documents and submit it to the address indicated in the SBD 1.

**Bidders must take note of the following:**

- The closing date of the bid will be at **11h00 on 17 January 2022** and will be valid for a period of **Hunderd and twenty (120) days** after the closing date.
- Bidders must take note of the **compulsory briefing session that will take place on 23 December 2021** (Details of the session is available on the BD 6.2).
- Bids must be submitted in a sealed envelope. The name and address of the bidder, the bid number and closing date must be indicated on the envelope. The envelope must not contain documents relating to any other bid.
- It is the responsibility of bidders to ensure that bids reach the address indicated on the SBD 1 before the closing date and time. **No late bids will be accepted.**
- Bidders need to acquaint themselves with the contents of the attached General and Special Conditions of Contract.
- It is the responsibility of bidders to ensure that they are registered on the National Treasury Central Supplier Database (CSD).

**BID RCECB 22/2021: SUPPLY & DELIVERY OF COAL PEAS FOR A PERIOD OF TWENTY FOUR (24) MONTHS: KIRKWOOD MANAGEMENT AREA: DEPARTMENT OF CORRECTIONAL SERVICES.**

- A Compliance Checklist (BD 26) is provided in the bid document that will assist bidders to adhere to the conditions specified in the bid.

**The following documentation must be submitted with your bid:**

- Valid and original/certified copy of B-BBEE Certificate; or
- Sworn affidavit for B-BBEE Exempted Micro Enterprise/ B-BBEE Qualifying Small Enterprise; and

It will be expected of the successful bidder to sign a formal contract at this office after being notified of the acceptance of his/her bid.

Yours faithfully



.....  
**For REGIONAL COMMISSIONER  
DEPARTMENT OF CORRECTIONAL SERVICES: EASTERN CAPE REGION  
H.C. PIETERSE  
REGIONAL COORDINATOR SCM**



# correctional services

Department:  
Correctional Services  
REPUBLIC OF SOUTH AFRICA

SBD1

## PART A INVITATION TO BID

### YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

BID NUMBER:	RCECB 22/2021	CLOSING DATE:	17 JANUARY 2022	CLOSING TIME:	11:00
DESCRIPTION	SUPPLY AND DELIVERY OF COAL PEAS FOR A PERIOD OF TWENTY FOUR (24) MONTHS: KIRKWOOD MANAGEMENT AREA				

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

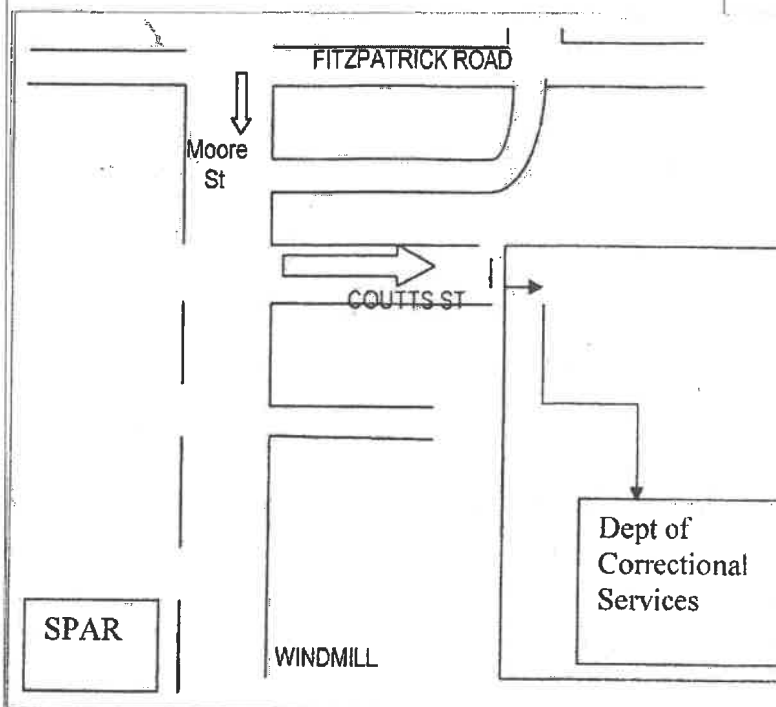
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

#### DEPARTMENT OF CORRECTIONAL SERVICES

BLOCK E, OCEAN TERRACE, MOORE STREET, QUIGNEY,

EAST LONDON

5200



#### SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No			<input type="checkbox"/> No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			

Amended 2017



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REPUBLIC OF SOUTH AFRICA

**SBD1**

CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)	
	<input type="checkbox"/>	A REGISTERED AUDITOR NAME:	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs&amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE <b>GOODS /SERVICES /WORKS OFFERED?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW ]
SIGNATURE OF BIDDER	.....		DATE
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE (ALL INCLUSIVE)
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT/ PUBLIC ENTITY	CORRECTIONAL SERVICES	CONTACT PERSON	MR. MZILENI
CONTACT PERSON	MR KONA	TELEPHONE NUMBER	043-701 1310
TELEPHONE NUMBER	042-232 7786	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	Luvuyo.mzileni@dcs.gov.za
E-MAIL ADDRESS	Luyanda.kona@dcs.gov.za		



## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO

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

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

**PRICING SCHEDULE – NON-FIRM PRICES  
(PURCHASES)****NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED  
IN THE BIDDING DOCUMENTS.****IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A  
SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**Name of bidder..... Bid number **RCECB 22/2021**Closing Time **11:00 on 17 JANUARY 2022**

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
1	1 920 000 KG	SUPPLY & DELIVERY OF COAL PEAS AT <b>KIRKWOOD CORRECTIONAL CENTRE</b>  AS PER ATTACHED SPECIFICATIONS	R.....

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

NOTE: According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15 % Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services  
**Kirkwood Management Area**

Brand and model : .....

Country of origin : .....

Does the offer comply with the specification? \* ☐ Yes ☐ No

If not to specification, indicate deviation(s) .....

Period required for delivery .....

Delivery basis (all delivery costs must be included in the bid price) .....

Are you the actual manufacturer/dealer (who normally keeps stock of the required items)? \* ☐ Yes ☐ No



If not, kindly indicate the following:

What value will you add to the contract? .....

Details of your supplier (manufacturer/producer/dealer) .....  
from whom you will source the item.

Name of supplier: ... ..

Physical Address: .....

Telephone number: .....

E-mail address: .....

\*Mark the relevant block with an X

**Provide a Breakdown of Bid Price:**

<b>Cost Component</b> <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	<b>% Contribution</b>
D1- Mining products	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
<b>TOTAL (Cost components must add up to 100%)</b>	<b>100 %</b>

**PRICE ADJUSTMENTS****A NON-FIRM PRICES SUBJECT TO ESCALATION**

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.  
 (1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**  
 D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.  
 R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).  
 R1o, R2o = Index figure at time of bidding.  
 VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:
  - D1: Mining Products - P0142 (Producer Price Index: Table 1 for Food Products)
  - D2: Labour – P0141 (Consumer Price Index: Table E for All Items)
  - D3: Packaging – P0141 (Consumer Price Index: Table for All Items)
  - D4: Transport – P0141 (Consumer Price Index: Transport – Other Running Cost)
4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%. (Refer to paragraph 13 of Special Conditions of Contract, BD 4.1)

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE
D1: Mining Products		Month of closing of bid	Table 4 (PPI for Mining Products)	
D2: Labour		Month of closing of bid	Table E (CPI for All Items)	
D3: Packaging		Month of closing of bid	Table E (CPI for All Items)	
D4: Transport		Month of closing of bid	Table E (CPI for Transport – Other Running Cost)	
	100%			





**Omission to provide the information may invalidate your bid.**

5. Number of price adjustments will be considered: As per paragraph 13 of Special Condition of Contract (BD 4.1).



## **correctional services**

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### **PROJECT:**

# **SUPPLY AND DELIVERY OF COAL TO KIRKWOOD MANAGEMENT AREA IN THE EASTERN CAPE REGION RCECB 22/2021**

## **E. TECHNICAL SPECIFICATIONS – COAL**

### **A1 GENERAL**

This Contract section is part of continuous improvement to ensure that the Department of Correctional Services's Coal Fired Steam Boilers and Standby Power Supply Systems function correctly and safely to comply with the statutory requirements/standards.

The contractor shall be responsible for the supply, delivery, off-loading and testing of the coal for boilers and other consumables in the prison. These specifications shall be read in conjunction with the rest of this contract in its entirety, including tender general conditions of contract.

The attached General Standard Technical Specifications cover the general technical requirements with respect to material, technical specification, testing, commissioning and performance sample tests. If the conditions and/or

specifications herein are at variance with anything contained in the detail specification the latter shall take preference, otherwise these General Standard Technical Specifications shall apply as if duly included.

The scope of works for this project is a detailed later in this specification.

This contract is for the period of twenty four (24) months.

## **A2 SITE INSPECTION BEFORE TENDERING AND ACCESS TO SITE**

Before tendering, Tenderers to visit the sites and acquaint themselves with all the local conditions, the accessibility of the site, the full extent and nature of the operations, the supply of and conditions affecting labour, carriage, carting, unloading, storage and safe custody of materials, workshop accommodation, the scaffolding, tackle and tools necessary for the execution of the contract generally. Claims on the grounds of lack of knowledge in such respects or otherwise will not be entertained at all. The following prisons form part of the scope.

List of prison in the management area and surrounding that needs Boiler Coal:

- Kirkwood – Back tipper truck

Correctional Services have boilers that use oil and coal and are situated within spectrum of the Eastern Cape region. Clarification meeting will be held in East London, Correctional Services during the advertising period, however tenderers are more than welcome to visit the sites afterwards and perform further surveys & investigations, but prior arrangements shall be made for site access,

Queries pertaining to the technical portion of this specification tender should be directed to the Facilities Section, Correctional Services Department in East London, Tel: 043 7011318.

Coal is defined as a combustible black or dark brown rock consisting chiefly of carbonized plant matter, found mainly in underground seams and used as fuel for coal operated boilers used as a heat source for generating steam.

The supply for the coal is for use in horizontal fire-tube coal fired boilers, with chaingrate stokers.

The coal must be suitable for a range of old and new generation boilers designed and constructed between 1976 and 2016 according to the following:

- British Standards Boiler Designs - Afripac Mk4 (boilers & Stokers)
- European Norm Boiler Design - Europac Mk1 (with Mobrey and/or self-checking water control systems).

The boilers under are operating with bituminous coal.

### Coal Specification

SPECIFICATION			Grade A	Grade B	Grade C
Ultimate Analysis (% by mass)	Moisture		2.50	2.70	2.70
	Ash		12.83	16.00	18.22
	Carbon		69.79	67.92	65.03
	Hydrogen		4.10	4.39	3.43
	Nitrogen		1.64	1.59	1.70
	Sulphur		0.62	0.73	0.66
	Oxygen		8.52	6.67	8.26
Proximate Analysis* (% by mass)	Moisture		2.50	2.70	2.70
	Ash		12.83	16.00	18.22
	Volatile Matter		23.63	25.30	24.84
	Fixed Carbon		60.04	56.00	54.24
	Gross Calorific Value MJ/kg		28.50	27.50	26.00
Ash Fusion Temperatures (°C)	Deformation		1 400	1 400	1 400
	Hemispherical		1 400	1 400	1 400
	Flow		1 400	1 400	1 400
	Swelling Index		1	1	1
Size Grading (Size Range, mm) (% in range)	+25		0	0	0
	-25 + 19		15	15	4
	-19 + 13		25	25	11
	-13 + 6		43	43	30
	-6 + 3		13	13	25
	-3 + 1		4	4	20
	-1		1	1	10
Trace Elements	Elements (%)		RANGE		

		High	Medium	Low
	Chlorine	> 0.30	0.15 - 0.30	< 0.15
	Phosphorus	> 0.10	0.10 - 0.03	< 0.03
	Sulphur	> 1.80	1.30 - 1.80	< 1.30
	Iron (in ash)	> 8.00	4.00 - 8.00	< 4.00
High level impurities	Certainty of combustion problems			
Medium level impurities	Possibility of combustion problems			
Low level impurities	Unlikelihood of combustion problems			

### C. MATERIAL REQUIREMENTS

The following material requirements must be satisfied:

- The coal specification for supply will be bituminous coal **Grade A** only.
- The Proximate analysis of the coal must be performed under air dry basis.

### D. QUALITY CONTROL REQUIREMENTS

- Material should be washed for elimination of excessive fine coal dust prior loading.
- Way bridge certificate is required upon every delivery.
- Certificate indicating the laboratory test result is required upon delivery of coal (Accredited by SANAS).
- Delivery note should be handed and signed by both parties.
- Coal in transit should be covered in tarpaulins.
- Coal should be delivered during DCS working hours (08h00am to 14h00pm).
- There should be a visual inspection upon delivery by competent person.

- Delivery that does not meet the specified specification should not be accepted.

## **E. LEGAL REQUIREMENTS**

Coal that is procured must comply with all the requirements as stipulated in the following Acts, Notices, SANS and regulations:

- Occupational Health and Safety Act 85, 1993
- National Environmental Management At 107, 1998
- Pressure Equipment Regulations, 2009
- SANS: 151, 347, 10227, 10228, 10254,
- ISO 17020

## **F. CONCLUSION**

- The specification committee advises the Bid Committee not to deviate from the coal type as per specification from the Manufacturer.
- Suppliers must provide test results for the type of coal they will be supplying to ensure that is in line with the recommended coal grade/type
- The suppliers laboratory should be ISO 17025 accredited by SANAS
- Logistics at Management Area should on regular basis take delivered coal sample to the laboratory to verify the coal quality as per specification.

### **A3 TECHNICAL AUDITS**

#### **A3.1 Laboratory Audits**

Joint audits of the Nominated Laboratory or other approved contractual laboratory or any other laboratory that is used for contractual analysis in terms of this

agreement shall be carried out on at least a **quarterly basis**. Laboratory systems shall comply with ISO 17025.

#### **A3.2 Sampling Audits**

The sampling procedure and / or pre-certification process shall be jointly audited at least on a monthly basis on 24 hour notice by Prison PED. A copy of the report shall be forwarded to the supplier.

#### **A4 PRE-CERTIFIED STOCKPILE MANAGEMENT**

The following shall apply where the tenderer coal supplier decides to stockpile.

The size of each Pre-certified stockpile shall be approximately equivalent to a day's deliveries, unless otherwise agreed, subject to sampling and analysis as described in the proceeding clauses. This shall mean that there shall be one sample per contract per day for analyses that Prison shall be responsible for payment. If Prison allows deliveries from more than one source per contract, then the supplier shall approach Prison for approval of more than one sample per contract per day. Approval shall be based on tonnages, analyses budget, etc. The size of the Pre-certified stockpiles may be increased subject to Prison's agreement as specified in the coal supply agreement. In all instances the quality of the daily equivalent tonnages making up such stockpile shall be in specification. The Supplier is required to measure the tonnage of the stockpiles created. The stockpile numbers shall be recorded on the weigh bill slips prior to delivery to the coal fire boiler. The tonnage of each stockpile, associated with a pre-certified stockpile result, can be reconciled with the tonnage delivered to the coal fire boiler for that specific stockpile.

Pre-certified stockpiles must be identified with a fixed signboard indicating the stockpile status as follows:

Green	-	In specification	--	suitable to load
Yellow	-	Awaiting results	--	do not load
Red	-	Out of specification	do not load	(Discard or reprocess)

The Supplier shall ensure that the above process is adhered to at all times. Any deviation from the process shall be recorded for audit purposes and shall mean that the stockpile has not been pre-certified and that the stockpile is in fact Reject coal.

The control sheet linking the as-produced qualities and tonnage to the Pre-certified stockpiles and the weighbridge certificates must be signed off by both parties for invoice verification. The Supplier must ensure that the weighbridge certificate reflects the Pre-certified stockpile from which the coal was loaded.

#### **A4.1 TREATMENT OF OUT OF SPECIFICATION STOCKPILES**

No stockpile that has qualities below the contractual specification, as tabled in the coal supply agreement, shall be dispatched to Prison, unless agreed upon and communicated in writing by Prison's Coal Supply Unit Manager and the Supplier. The Supplier, at its own cost, shall be responsible for the blending/reprocessing of out of specification stockpiles. Any product stockpile that does not meet the contractual specification shall be completely removed and/or reprocessed to meet specification. Where auto-mechanical sampling is required in terms of the contract, the stockpile shall be reprocessed or blended through the stack out facility and shall be re-sampled by the payment sampler. Where manual sampling is applicable in terms of the contract, then such stockpiles not meeting specification shall be reprocessed and re-sampled in accordance with Clause 5.2 of this document. In terms of this clause each load of the front-end-loader bucket representing the final re-processed or blended stockpile shall be sampled. Prison shall only pay for up to 5 stockpiles that do not meet contractual specifications per supplier per month, the rest of the samples shall be paid for by the supplier.

#### **A4.2 STOCKPILE MOISTURE MANAGEMENT**



If the product stockpile is out of specification for total moisture, the stockpile must be allowed to drain for a pre-determined drying time after creation of the stockpile. This is to allow the total moisture to achieve equilibrium moisture prior to loading. Either the as produced moistures (mine) or equilibrium moisture will be used for the payment purposes as specified in the contract. In the event of rain, grab samples (depth of 50 cm from surface) shall be taken to verify the actual moisture levels of the pre-certified stockpiles. The Total Moisture results must be communicated to Prison's responsible Coal Supply Unit Manager in writing (e-mail or fax), who, with the consent of the Power Boiler Plant will deny or grant permission to load the stockpile. The Total Moisture results must be communicated to Correctional Services responsible personnel for the tonnage adjustment. Correctional Services reserves the right, at its own discretion, to accept stockpiles for which the moisture is out of specification, regardless of rain. The delivered tons will be adjusted as described in the coal supply agreement.

#### **A5     AMENDMENTS**

Any amendments to this document shall be proposed in writing and mutually agreed by all parties and there after ratified in a meeting before implementation.

#### **A6     COMPROMISE**

Both parties understand and agree that the ISO standards prescribe that splitting of a bulk sample shall be preceded by crushing. However, in this procedure it is a compromised allowance that the bulk sample is split prior to crushing as it is not practical and is a bigger risk to take a separate sample for general analysis, size grading and total moisture.

It must be noted that the sample preparation flow sheet is an interpretation of the ISO standards and therefore the ISO standards supersedes the CQMP.

#### **A7     PROGRAMME AND PLANNING**

##### **A7.1   Programme**

The contractor shall submit his coal delivery program for approval to the representative and shall make all reasonable adjustments to the program as required within thirty (30) days from the commencement date. The contractor shall implement the program and shall re-program the works if required to do so by the Correctional Services representative. Copies of the program and its supporting documents together with all updates shall be provided by the contractor for the use of the representative and must be issued to the representative in an electronic format similar to MS project. The contractor takes full responsibility for the workability of the program and confirms that no policy decisions relating to the compilation of the planning, programming and management of the work has been enforced on the contractor directly or by implication, through the submission to, processing, analysis and approval of the program by the representative.

#### **A7.2 Planning**

The contractor should note that the plant will not be shut down during the steam generation period and the contractor will execute the works while the Boiler Plant remains live during the complete duration of the fuel supply, hence the off-loading is to be carried out in a systematically manner.

The Contractor is responsible for co-ordinating the Works and shall programme all aspects to ensure that the coal supply requirements are achieved.

#### **A8 STANDARDS**

All coal materials supplied under this contract shall be new and the best of their respective kinds and shall comply with the requirements laid down in the latest editions of the relevant ISO, SANS and/or BS and their amendments (see clause A7) and with the requirements of this specification. The following standards specification, publications and codes of practice shall be read in conjunction with the tender and contract/agreement and shall be deemed to form part thereof.

- a) All government regulations, laws, by-laws and special requirements of the local authority shall be adhered to unless otherwise specified.

- b) All regulations and statutory requirements as laid down in the latest edition of the Occupational Correctional Services and Safety Act, 1993 (Act no.85 of 1993) shall be adhered to.

Parties using this document shall use the most recent edition(s) of the document(s) listed in this section.

- 1) 36-680 - Fossil Fuel Firing Regulations
- 2) Government Gazette No 35894 – National Environmental Management: Air Quality Act. 2004 (Act no 39 of 2004)
- 3) C-Schedule data from Coal fire boiler design and guarantee contracts
- 4) Performance data as per STEP available for each relevant prison
- 5) Financial data of each Coal fire boiler as per the SAP system
- 6) 240-54041252 – Standard for Boiler, Coal and Ash Plant Sizing on Existing Prison
- 7) BS 1016: Part 16: 1981 – Methods for reporting analysis and testing of coal and coke
- 8) RP/FUEL/QS/10/08 – Ash/Calorific value variations
- 9) Engineering Change Management Procedure – 240-53114002
- 10) RP/FUEL/QS/12/131 – Devolatilisation Index
- 11) 474-9273 – Bulk Materials Handling Plant Design Capacity Requirements

BID NUMBER: RCECB 22/2021

**DESCRIPTION: SUPPLY AND DELIVERY OF COAL PEAS FOR THE PERIOD OF TWENTY  
FOUR (24) MONTHS: KIRKWOOD MANAGEMENT AREA**

**COMPULSORY INFORMATION MEETING**

**DEPARTMENT OF CORRECTIONAL SERVICES**

Prospective bidders must attend the compulsory information meeting to acquaint themselves with the extent of the services required. A completed attendance certificate must be submitted together with the bid document.

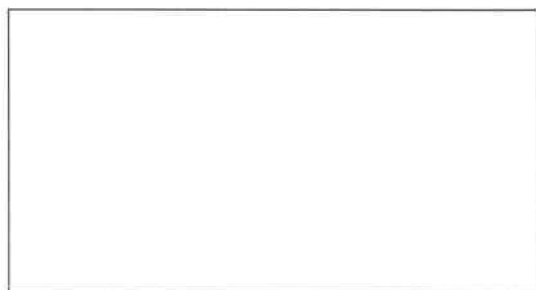
Date: 23 December 2021  
Time: 10H00  
Venue: Department of Correctional Services  
Recreation Hall East London  
1 Bank Street  
West Bank  
East London

This is to certify that ..... of (the company)  
..... attended the compulsory information meeting  
on the ..... day of ..... 20\_\_\_\_.

.....  
BIDDER

.....  
OFFICIAL

.....  
RANK



**DEPARTMENTAL STAMP**



## **DEPARTMENT OF CORRECTIONAL SERVICES**

### **SPECIAL CONDITIONS OF CONTRACT: BID GENERAL ITEMS BID NO:RCECB 22/2021: SUPPLY AND DELIVERY OF COAL PEAS FOR KIRKWOOD MANAGEMENT AREA FOR A PERIOD OF 24 MONTHS (2 YEARS)**



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## 1. INTRODUCTION

- 1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).
- 1.2 The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 1.3 These conditions form part of the bid and bidders need to familiarize themselves with the content thereof.

## 2. REGISTRATION ON CENTRAL SUPPLIERS DATABASE

- 2.1 Bidders need to register on the National Treasury Central Supplier Database in order to do business with the state. Accounting Officers cannot award any bid or price quotation to any supplier who is not registered on the Central Suppliers Database. Bidders must log on [www.csd.gov.za](http://www.csd.gov.za) for self registration.

## 3. CERTIFICATION OF DOCUMENTS BY A COMMISSIONER OF OATH

- 3.1 Bidders must ensure that all certified copies comply with the regulation governing the administering of an oath or affirmation. The Commissioner of Oath must append a signature, date and also print out name. Copies that do not comply with this regulation will be regarded as invalid.
- 3.2 **The date of certification of the original on all copies submitted should not be older than six (6) months.**

## 4. CONTRACT PERIOD

- 4.1 The contract shall be for the period of **24 months**.

## 5. QUANTITIES

- 5.1 The quantities furnished in the bid are **NOT FIXED QUANTITIES** and no guarantee can be given regarding the actual quantities that will be ordered.

## 6. RESPONSE FIELDS

- 6.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.





- 6.2 Bid documents should not be retyped or redrafted. Bid documents that are retyped or redrafted will not be considered or will be disqualified.
- 6.3 The following bid documents must be completed in ink, signed and submitted in an original format:

Document	Description
SBD 1	Invitation to Bid
SBD 3	Pricing Schedule
SBD 4	Declaration of Interest
SBD 6.1	Claim Form in Terms of Preferential Procurement Regulations 2017
SBD 8	Declaration of Bidders past SCM Practises
SBD 9	Certificate of Independent Determination

- 6.4 Alternative offers may be made for any item(s) on condition that the offer complies with the specification. **It must clearly be marked as an alternative offer.**
- 6.5 Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated in line with the index provided. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.

## 7. EVALUATION CRITERIA

The evaluation process will be conducted in phases as follows:

Phase 1	Phase 2	Phase 3
<b>Pre-qualifying Criteria</b>	<b>Mandatory Requirements</b>	<b>Price and B-BBEE</b>
Compliance with pre-qualifying criteria Level 1-4	Compliance with mandatory requirements	Bids evaluated in terms of Preferential Procurement Regulations, 2017

### 7.1 Phase 1: Pre-qualifying Criteria

- 7.1.1 The Preferential Procurement Regulations, 2017 prescribes that pre-qualifying must be used to advance designated groups.
- 7.1.2 Bidders must be a minimum B-BBEE status Level contributor from level 1 (one) to 4(four) as per Regulations 4(1) (a) of Preferential Procurement Regulations, 2017
- 7.1.3 Only bids with a BBEE level one (1) to four (4) will be considered.



7.1.4 Bidders are required to submit proof of B-BBEE status Level of contributor at the closing date and time of the Bid. Proof includes original and valid B-BBEE status Level verification certificates or original certified copies thereof a sworn affidavit signed by the EME representative and attested by Commissioner of oaths.

7.1.5 A bidder who fails to comply with clause 6.1.1 will be disqualified and will not proceed to phase 2

## 7.2 **Phase 2: Mandatory Requirements**

### 7.2.1 **Tax Matters**

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

7.2.1.2 The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

7.2.1.3 Bidder must be registered on the **Central Supplier Database (CSD)** and provide its CSD number and TCS Pin as per SBD 1.

7.2.1.4 When a Consortium/ Joint Venture/ Sub-contractors is involved, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Suppliers Database.

7.2.1.5 **The bid will be awarded to the bidder who is tax compliant.**

### 7.2.2 **Certificate: Confirmation of supply arrangements between the bidder and his/her supplier (BD 27)**

7.2.2.1 Any bidder who does not normally keep stock of the item and is sourcing the goods and services from a third party (manufacturer/producer or dealer/distributor who normally keeps stock) for the purpose of delivering the item to the Department, must ensure that the attached BD 27 is completed by his/her supplier after they have familiarised themselves with the item(s) / description(s) / specifications and conditions of the bid for all relevant goods and services required from this bid. **Failure to submit a signed (BD 27) signed by the bidder and his/her supplier will invalidate the bid.**

7.2.2.2 Third parties must especially acquaint themselves with the conditions applicable to price increases.

7.2.2.3 A letter issued on the official letterhead of the third party addressing the information below is acceptable.



- 7.2.2.4 The bidder must ensure that the supply arrangements for the required goods and services have been mutually agreed upon with his/her supplier. No agreement between the bidder and his/her supplier will be binding on the Department.
- 7.2.2.5 **The Department reserves the right to verify any information supplied by the bidder and should the information be found to be false or incorrect, it will invalidate your bid.**
- 7.2.2.6 If a contract has been concluded on the basis of sourcing the product(s) from a manufacturer/dealer, distributor and the bidder for some or the other reason change the manufacturer/dealer, the Department should immediately be notified and a new BD 27-form (confirmation of supply arrangements between the bidder and his/her supplier) should be submitted.
- 7.2.2.7 **The Department will only accept an original or certified copy of the completed and signed BD 27 and it must be attached with the standard bidding documents.**
- 7.2.3 **Attendance of compulsory information meeting (BD 6.2)**
- 7.2.3.1 Proof of attendance of compulsory information meeting (BD 6.2), completed by the bidder and signed by a designated representative of the Department, must be submitted with the bid documents.
- 7.2.3.2 **Failure to provide the signed and stamped BD 6.2 will automatically invalidate your bid.**
- 7.2.4 **Local Content**
- 7.2.4.1 No offers with regard to imported products will be considered.
- 7.2.5 **Standards/Specifications**
- 7.2.5.1 Bids shall be for the supply and delivery of general items (Coal Peas) and shall be strictly in accordance with the attached specification / terms of reference.
- 7.2.5.2 Coal Peas that is procured must comply with all the requirements as stipulated in the following Acts, Notices, SANS and Regulations: Occupational Health and Safety Act 85, 1993
- 7.2.5.3 National Environmental Management Act 107, 1998
- 7.2.5.4 Pressure Equipment Regulations, 2009



7.2.5.5 SANS: 151, 347, 10227, 10228, 10254

7.2.5.6 ISO 17020

7.2.6 **Failure to comply with all requirements stipulated in paragraph 7.2. will invalidate your bid.**

### 7.3 Phase 3: Price and B-BBEE

7.3.1 In terms of Regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the Department on the **80/20-preference** point system in terms of which points are awarded to bidders on the basis of:

- a) **Bid price (maximum 80 points)**
- b) **B-BBEE status level of contributor (maximum 20 points)**

7.3.2 The following formula will be used to calculate the points for price:

Cases with a Rand value below R50 million (all applicable taxes included)		
$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$		
Where :		
PS	=	Points scored for comparative price of bid or offer under consideration
Pt	=	Comparative price of bid or offer under consideration
Pmin	=	Comparative price of lowest acceptable bid or offer

7.3.3 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

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



B-BBEE Status Level of Contributor	Number of points (80/20 system)
Non-compliant contributor	0

- 7.3.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit a valid and original/originally certified copy of B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point. **The date of certification of the original should not be older than three (3) months.**
- 7.3.5 Preference points will be allocated to bidders who have completed and signed the declaration part of the preference claim form on the SBD 6.1 and who have substantiated their claim for B-BBEE points by submitted a B-BBEE status level certificate issued by the following verification agencies:
- 7.3.5.1 *Bidders other than EMEs and QSE,s*
- a) Verification agencies accredited by SANAS; or
- 7.3.5.2 *Bidders who qualify as EMEs and QSE's*
- a) Sworn affidavit signed by the EMEs and QSEs representative and attested by a Commissioner of Oaths.
- Bidders can access the sworn affidavits templates on [https://www.thedti.gov.za/economic\\_empowerment/bee\\_codes.jsp](https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp)
- 7.3.6 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- 7.3.7 Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.
- 7.3.8 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 7.3.9 Failure on the part of the bidder to comply with paragraphs 7.3.4 and 7.3.5 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).
- 7.3.10 The points scored will be rounded off to the nearest 2 decimals.
- 7.4 **Phase 4: Awarding of bids**
- 7.4.1 A bid must be awarded to the bidder who scored the highest total number of points in terms of the preference point systems (price and B-BBEE points),



unless objective criteria in terms of section 2(1)(f) of the Act justify the award of the bid to another bidder.

7.4.2 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

7.4.3 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

## **8. VALUE ADDED TAX**

8.1 All bid prices are inclusive of 15% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.

## **9. DECLARATION OF INTEREST (SBD 4)**

9.1 It is important that bidders acquaint themselves with the content of the Declaration of Interest (SBD 4).

9.2 A bidder or his/her authorised representative is required to declare his/her position in relation to the evaluating/adjudicating authority and/or **take an oath declaring his/her interest, where -**

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

9.3 The Declaration of Interest (SBD 4) must be completed in full.

9.4 Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, this Department will act against such bidder (company) and/or its Directors in terms of paragraph 23 of the General Conditions of Contract.

## **10. PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS**

10.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.



10.2 **The Public Administration Act, 2014 (Act no. 11 of 2014), chapter 3, section 8(2)(a) specifies that an employee of the State may not conduct business with the State.**

10.3 Bidders having a kinship with persons employed by the state, including a blood relationship, must declare their interest on the SBD 4 (Declaration of Interest).

## **11. FRONTING**

11.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:

- a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.
- b) The Department of Correctional Services, 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 representations made in the bid documents.

11.2 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. Failure to do so within a period of 14 days from the 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 (10) years, in addition to any other remedies the Department may have against the bidder/ contractor concerned.

## **12. PRICE AND PRICE QUALIFICATION**

12.1 Prices submitted for this bid are firm for the first year and thereafter contractors can apply for two (2) price adjustments in the second year of the contract (See paragraph 13 for Contract Price Adjustment based on CPI and PPI).

12.2 Prices shall be quoted in South African currency.

12.3 The bid prices shall be given in the units shown.

12.4 Prices must be inclusive of delivery cost and all applicable taxes.



### 13. CONTRACT PRICE ADJUSTMENTS

#### 13.1 Formula

- 13.1.1 Prices submitted for this bid are firm for the first year and thereafter contractors can apply for two (2) price adjustments in the second year of the contract.
- 13.1.2 Price adjustments for Mining Products will be based on the Consumer Price Index (CPI) and Product Price Index (PPI).
- 13.1.3 Requests for prices adjustment(s) in the second year of the contract will be considered in terms of the following formula, defined areas of cost and defined periods of time.
- 13.1.4 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 13.1.5 The following price adjustment formula will be applicable for calculating contract price **adjustments (CPA)**.

$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + ..... + Dn \frac{Rnt}{Rno} \right) + VPt$		
Pa	=	The new adjusted price to be calculated.
V	=	Fixed portion of the bid price (15% or 0.15).
Pt	=	Original bid price. Note that Pt must always be the original bid price and not an adjusted price.
(1-V)Pt	=	Adjustable portion of the bid price (85% or 0.85).
D1 – Dn	=	Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%).
R1t – Rnt	=	End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	=	Base Index. Index figure at the time of bidding.
VPt	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment.

#### 13.2 Formula component definitions

##### 13.2.1 Adjustable amount

The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

##### 13.2.2 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represent the profit margin. In this bid





the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period

### 13.2.3 Cost components and proportions

The cost components of the contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.

Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

<b>Cost Component</b> (Specific to your commodity – well researched with the industry) Provision should be made in the item questionnaires for this breakdown	<b>% Contribution</b>
D1- Mining Products	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
<b>TOTAL (Cost components must add up to 100%)</b>	<b>100 %</b>

### 13.2.4 Applicable indices / references

The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:

<b>Cost component</b>	<b>Index Publication</b>	<b>Index Reference</b>
D1- Mining Products	STATS SA P0142.1 (PPI)	Table 4 PPI for Mining Products.
D2 - Labour	STATS SA P0141 (CPI),	Table E - All Items
D3 -Packaging	STATS SA P0141 (CPI),	Table E - All Items
D4 – Transport	STATS SA P0141 (CPI) Table E	Table E - Transport – Other Running Cost

### 13.2.5 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date will be the month of the signing of the contract.

### 13.2.6 End Index Date



The end index dates are the dates at predetermined points in time during the contract period. In this bid the end indices are defined in the next paragraph (Price Adjustment Periods).

### 13.2.7 Price Adjustment Periods

Adjustment to contract prices may be applied for at the following dates:

Adjustment (Contract manager to decide on frequency)	CPA application to reach the office at the following dates	End Index Date	Dates from which adjusted prices will become effective	Dates until which adjusted prices will be effective
1 <sup>st</sup> Adjustment	12 months from date of signing the contract	12 months from date of signing the contract	On month thirteen (13) from date of signing the contract	Until month 18 from date of signing the contract
2 <sup>nd</sup> Adjustment	18 months from date of signing the contract	18 months from date of signing the contract	On month nineteen (19) from date of signing the contract	Until month 24 from date of signing the contract

## 14. SUBMISSION OF BIDS

- 14.1 Each bid should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed.

## 15. LATE BIDS

- 15.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.

## 16. COMMUNICATION

- 16.1 No communication with any Procurement Official will be allowed during the running period of the bid.
- 16.2 Communication after the closing date of the bid must be in writing and addressed to the **Manager SCM, Mr Kona L, Tel. 042-2327786**.
- 16.3 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.



## **17. COUNTER CONDITIONS**

- 17.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

## **18. VENDOR ASSESSMENT (CAPABILITY AND FINANCIAL ABILITY)**

- 18.1 The Department will have the right to confirm the ability of bidders to execute this contract successfully. This includes an investigation by the Department or its appointee of the following:

- a) The bidder's financial position to execute the contracts,
- b) Previous contracts executed and current contracts (SBD 4 and SBD 8 must completed),
- c) **Delivery periods, quality and quantity of products.**

- 18.2 **Please provide contactable details of current and previous clients for the supply and delivery of similar items and where the business was gained in the last twelve months by means of a price quotation/bidding process (Reference letters from clients letter head).**

- 18.3 The premises/factory of the bidder or contractor should be open at all reasonable hour for inspection by a representative of the Department and/or its approved institution.

- 18.4 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his/her offer will be regarded as not acceptable.**

## **19. NEGOTIATIONS**

- 19.1 The Department reserves the right to negotiate with bidders prior to the award of the bid.

## **20. ORDERS/DELIVERIES/DELIVERY BASIS**

- 20.1 Before delivery of any product on this contract is conducted, the contractor must be in possession of an official order issued by an authorized official of the Department.
- 20.2 Firm delivery period must be quoted for the duration of the contract period.
- 20.3 Products must be delivered and off loaded by the contractor in the transit area of the delivery point.



- 20.4 Delivery will be accepted on weekdays between 8:00 and 14:00.
- 20.5 All deliveries and dispatches must be accompanied by a delivery note stating the official order number against which the delivery is affected.
- 20.6 Deliveries not complying with the order/specifications will be returned to the contractor at the contractor's expense.
- 20.7 The Department of Correctional Services may postpone or delay deliveries if it finds itself in any such position, as a result of circumstances beyond its control, which will make it impossible to comply with the specified delivery dates.

## **21. PACKAGING**

- 21.1 If applicable, your attention is drawn to the packaging requirements stipulated in the specification.
- 21.2 There should be a labelling/description of the delivered items on the outside of the packaging that will correspond with the invoice.

## **22. CONTRACT MANAGEMENT**

- 22.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.
- 22.2 Contractor must inform the relevant Institution immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

## **23. PENALTIES**

- 23.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)
- 23.2 The following formula will be utilized for this purpose :

$$Penalty = \left( Vx \frac{10}{100} \right) x N$$

V = Value of delayed goods or services

N = Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.



23.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads "Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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."

23.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.) during the window period of two months, following the occurrence of the unsatisfactory performance.

## **24. PAYMENTS**

24.1 Payments will only be effected by the Department in the following cases:

24.1.1 The successful completion of a deliverable/ service in line with the specification/ terms of reference.

24.1.2 Invoices should be delivered/posted or e-mailed to reach the institution that placed the order, timeously.

24.1.3 The invoices must be accompanied by an inspection certificate and/or proof of delivery.

24.2 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

## **25. SETTLEMENT OF DISPUTES**

25.1 Should any dispute arise from the contract paragraph 27 of the General Conditions of Contract shall apply.

# **GOVERNMENT PROCUREMENT**

## **GENERAL CONDITIONS OF CONTRACT**

### **NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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7. Performance security
8. Inspections, tests and analysis
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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 security**

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

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3

do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

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

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

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

## **9. Packing**

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

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

## **10. Delivery and documents**

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

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

## **11. Insurance**

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

- 12. Transportation** 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
- 13. Incidental services** 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts** 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
  - (b) in the event of termination of production of the spare parts:
    - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
- 15. Warranty** 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of

the supplied goods in the conditions prevailing in the country of final destination.

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

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

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

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

#### **16. Payment**

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

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

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

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

#### **17. Prices**

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

#### **18. Contract amendments**

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

#### **19. Assignment**

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

- 20. Subcontracts** 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance** 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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 ten (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 :

- (a) the name and address of the supplier and/or person restricted by the purchaser;
- (b) the date of commencement of the restriction'
- (c) the period of restriction; and



(d) the reasons for the restriction.

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

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

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

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

**25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will

not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of Disputes**

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

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

**30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

**31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to

him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

**33. National Industrial Participation (NIP) Programme**

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

**35. 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 association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) was/were 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.



## DECLARATION OF INTEREST

**(NB : In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act No. 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department)**

1. 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 a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where –
    - the bidder is employed by the state; and/or
    - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
  2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
    - 2.1 Full name of bidder or his or her representative : .....
    - 2.2 Identity number : .....
    - 2.3 Position occupied in the Company (director, trustee, shareholder, member) : .....
    - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust : .....
    - 2.5 Tax Reference Number : .....
    - 2.6 VAT Registration Number : .....
    - 2.6.1 The names of all directors / trustees / shareholders<sup>2</sup> / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.
- <sup>1</sup>"State" means –
- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
  - (b) any municipality or municipal entity;
  - (c) provincial legislature;
  - (d) national Assembly or the national Council of provinces; or
  - (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the



management of the enterprise or business and exercises control over the enterprise.

- 2.7 Are you or any person connected with the bidder, presently employed by the state?

Yes

No

- 2.7.1 If so, furnish the following particulars :

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

Any other particulars :

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

- 2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

Yes

No

- 2.7.2.1 If yes, did you attach proof of such authority to the bid document?

Yes

No

**(Note : Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.)**

- 2.7.2.2 If no, furnish reasons for non-submission of such proof :

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

- 2.8 Did you or your spouse, or any of the company's directors/shareholders/members or their spouses conduct business with the state in the previous twelve (12) months?

Yes

No

- 2.8.1 If so, furnish particulars :

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

- 2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by

Yes

No



the state and who may be involved with the evaluation and or adjudication of this bid?

--	--

2.9.1 If so, furnish particulars :

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

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

Yes	No
-----	----

2.10.1 If so, furnish particulars :

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

2.11 Do you or any of the directors/shareholders/members of the company have any interest in any other related companies whether or not they are bidding for this contract?

Yes	No
-----	----

2.11.1 If so, furnish particulars :

.....

.....

.....

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

Full name	Identity number*	Personal Tax Reference Number	State Employee Number / Persal Number

**\*Copies of Identity Document must be attached.**



### DECLARATION

I, THE UNDERSIGNED (NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPH 2 TO 3 ABOVE IS CORRECT.

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

.....  
SIGNATURE

.....  
DATE

.....  
POSITION

.....  
NAME OF BIDDER

**Note :** Should the bidder or any of its directors/members or shareholders be employees of any organ of state as contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), such member/director or shareholder must submit a certified copy of the permission granted by the Executive Authority of his/her Department to conduct remunerative work in the Public Service as contemplated in the Public Service Act, 1994 (Act 103 of 1994) Chapter VII, Sections 30 and 31. Failure to submit the proof will automatically invalidate the bid. Knowingly not submitting it will make the person liable for fraud.



**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

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

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

**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

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

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

**2. DEFINITIONS**

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





B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

## 5. BID DECLARATION

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

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

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

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

## 7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted .....
- The name of the sub-contractor .....
- The B-BBEE status level of the sub-contractor .....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>

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

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

8.1 Name of company/firm: .....

8.2 VAT registration number: .....

8.3 Company registration number: .....

**8.4 TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium
  - ☐ One person business/sole propriety
  - ☐ Close corporation
  - ☐ Company
  - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

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

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as

indicated in paragraph 1 of this form;

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

WITNESSES

- 1. ....
- 2. ....

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

DATE: .....

ADDRESS .....

.....  
.....



## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector?</p> <p><b>(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></p> <p>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 page.</p>	Yes	No
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on National Treasury's website, (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes	No
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No



4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

Js365bW



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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

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



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

\_\_\_\_\_  
(Name of Bidder)

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

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





7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder



**AUTHORISATION DECLARATION: CONFIRMATION OF SUPPLY AND FINANCIAL  
ARRANGEMENTS BETWEEN THE BIDDER AND THIRD PARTY**

**BID NUMBER:** RCECB 22/2021

**DESCRIPTION:** SUPPLY AND DELIVERY OF COAL PEAS FOR THE PERIOD OF TWENTY  
FOUR (24) MONTHS: KIRKWOOD MANAGEMENT AREA

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

**CLOSING DATE:** 17 JANUARY 2022

Are you sourcing the goods or services from a third party? \_\_\_\_\_

*If you have answered YES to the above question, please provide full details from whom the items will be sourced/delivered, in the space provided on the pricing schedule (SBD 3).*

**DECLARATION BY THE BIDDER WHERE THE BIDDER IS SOURCING THE GOODS OR SERVICES  
FROM A THIRD PARTY:**

1. I, \_\_\_\_\_ (Bidder) hereby declare the following:
  - The goods or services listed below, is being sourced from a third party in order to comply with the terms and conditions of the bid.
  - The third party has been informed of the terms and conditions of the bid and the third party is acquainted with the said terms and the description of the goods or services listed on the SBD 3 (Pricing Schedule).
  - The unconditional written undertaking to supply the goods or services listed in the SBD 3 (Pricing Schedule) in accordance with the terms and conditions of the bid document for the duration of the contract has been received from the third party. See confirmation below.
  - It is confirmed that all financial and supply arrangements for goods or services have been mutually agreed upon between the bidder and the third party.
2. The information contained herein is true and correct.
3. Failure to submit the BD 27 may invalidate the bid.
4. It is acknowledged that the Department reserves the right to verify the information contained herein and if found to be false or incorrect, the Department may invoke any remedies available to it in the bid documents.

**SIGNATURE BY THE BIDDER:**

Signed at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Signature \_\_\_\_\_ Full name \_\_\_\_\_

Designation \_\_\_\_\_

(This form must be applicable to purchases exceeding R30 000-00 per case)

Amendment 1 of 2015



### **THIRD PARTY UNDERTAKING**

**Note:**

- A separate Undertaking must be completed by each Third Party;
- A letter issued on the official letterhead of the third party addressing the information below is acceptable.

***To be completed by the third party***

Name of Third Party: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Telephone number: \_\_\_\_\_

Facsimile number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

It is hereby confirmed that a mutual agreement has been reached between myself and the bidder is therefore authorised to include the products listed in the SBD 3 (Pricing Schedule).

We confirm that we have firm supply and financial arrangements in place, and have familiarized ourselves with the item descriptions, specifications and bid conditions relating to the item/s listed in the table above.

**SIGNATURE BY THE THIRD PARTY:**

Signature: \_\_\_\_\_ Full name: \_\_\_\_\_

Designation: \_\_\_\_\_

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

## COMPLIANCE CHECKLIST TO ASSIST BIDDERS WITH COMPLETION OF BID DOCUMENTS

Very important	Did you take note of the content of the General Conditions of Contract & BD 4.1 Special Conditions of Contract	Yes	No
1.	<b>PRE-QUALIFYING CRITERIA</b>		
1.1	Did you submit proof of your BBEE level, since only bids with a BBEE level one (1) to four (4) will be considered ( <b>Proof being original and valid B-BBEE status Level verification certifications or original certified copies thereof a sworn affidavit signed by the EME representative and attested by Commissioner of Oaths</b> ) Bidder who fails to comply will be disqualified and will not proceed to Phase 2		
2.	<b>MANDATORY CRITERIA Phase 2 (See par 7 of BD 4.1: Special Conditions)</b>		
2.1	Did you take note that it is a condition of this bid that the tax matters of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations? ( <b>Special Conditions par 7.2.1</b> )		
2.2	Did you take note that any bidder who does not normally keep stock of the item and is sourcing the goods and services from a third party (manufacturer/producer or dealer / distributor who normally keeps stock) for the purpose of delivering the item to the Department, must ensure that the attached BD 27 is completed by his/her supplier after they have familiarised themselves with the item(s) / description(s) / specifications and conditions of the bid for all relevant goods and services required from this bid. Failure to submit a signed (BD 27) signed by the bidder and his/her supplier will invalidate the bid? ( <b>Special Conditions par 7.2.2</b> )  <b>Department will only accept an original or originally certified copy of the completed and signed BD 27 / letter.</b>		
2.3	Did you take note of the compulsory information meeting ( <b>Special Conditions par 7.2.3</b> )		
2.4	Did you take note that no offers with regard to imported products will be considered? ( <b>Special Conditions par 7.2.4</b> )		
2.5	Did you take note that bidders are required to comply with the Standards/Specifications ( <b>Special Conditions par 7.2.5</b> )		
2.6	Did you take note failure to comply with all requirement stipulated in paragraph 7.2 will invalidate your bid? ( <b>Special Conditions par 7.2.6</b> )		
3.	<b>SUBMISSION OF BIDS</b>		
3.1	Did you take note that prices for the contract are <b>firm for the first year and thereafter can apply for two price</b>		

Very important	Did you take note of the content of the General Conditions of Contract & BD 4.1 Special Conditions of Contract adjustments? (Special Conditions par 12.1)	Yes	No
3.2	Bids should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed. (Special Conditions par 14.1)		
3.3	Did you complete and sign the <b>SBD 1 (invitation to Bid Forms)</b> ? Did you list the directors of your company with their contact details?		
3.4	Did you complete the preference claim form (SBD 6.1) w.r.t. BBEE points?		
3.5	Did you attach an original or original certified BBEE certificate in support of your claim?		
3.6	Did you take note that bidders must submit details of current and previous clients for the supply and delivery of similar items and where the business was gained in the last twenty four (24) months by means of a price quotation / bid? Reference letter from clients must be on a letterhead of the client. <b>(Special Conditions par 18.2)</b>		
4	<b>LATE BIDS</b>		
4.1	Bids received after the closing date and time will not be accepted for consideration and where practicable, be returned unopened to the bidder at the address indicated in the envelope <b>(Special Conditions par 15)</b>		
5	<b>DECLARATIONS</b>		
5.1	Did you familiarize yourself with the contents of the Declaration of Interest (SBD 4) and did you indicate your declaration (if applicable)		
5.1.1	Did you sign the Declaration of Interest SBD 4 forms?		
5.2	Did you familiarize yourself with the contents of Declaration Of Bidder's Past Supply Chain Management Practices? (SBD 8)		
5.2.1	Did you declare past supply chain management practices e.g. Fraud, improper conduct, failed to perform on any previous contract?		
5.2.2	Did you sign the declaration SBD 8?		
5.3	Did you familiarize yourself with the contents of the Independent Bid Determination form. (SBD 9)?		
5.3.1	Did you sign the Independent Bid Determination form. (SBD 9)		
6.	<b>CERTIFIED DOCUMENTS TO BE SUBMITTED</b>		
6.1	Original Certified copy of ID documents of all directors/owners		
6.2	Cipro Documents		
7	<b>PLEASE NOTE NO LATE SUBMISSIONS WILL BE CONSIDERED</b>		