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

### Notes:

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

### The Tendering System

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

### Training sessions

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



# Provincial Supply Chain Management

**Request for Proposal**
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SUPPLIER INFORMATION					
COMPANY NAME					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE IN RFP 09]

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

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



# Provincial Supply Chain Management

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

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

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

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

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

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

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



# Provincial Supply Chain Management

**RFP Point System**

Page 1 of 1

RFP NUMBER		CLOSING DATE	
VALIDITY OF RFP		CLOSING TIME	

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

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

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

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

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

## Point System

Points SHALL be allocated as follows:

Points for

Points for

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



# Provincial Supply Chain Management

## Instructions to Bidders

Page 1 of 2

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



# Provincial Supply Chain Management

## Instructions to Bidders

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

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

The bid must be deposited or posted;

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



# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B: BID COMMITMENT

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

#### FULL ADDRESS

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

#### OTHER BIDDERS INVOLVED

7.

#### AUTHORISATION

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

#### INDICATE

Y ☐ ☐ N ☐ ☐

8.

#### DECLARATION

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

#### INDICATE

Y ☐ ☐ N ☐ ☐





# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B : DECLARATION OF INTEREST

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

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

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

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

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

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

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

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





# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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10.8 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?		Y				N			
10.8.1 If yes, did you attach proof of such authority to the bid document? (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid).		Y				N			
If no, furnish reasons for non-submission of such proof									
10.9 Did you or your spouse, or any of the company's directors /trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?		Y				N			
If YES, furnish particulars									
10.10 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?		Y				N			
If so, furnish particulars									
10.11 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?		Y				N			
If so, furnish particulars									
10.12 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?		Y				N			
If so, furnish particulars									



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

# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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

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

### DECLARATION

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

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

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

DATE	POSITION



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

# Provincial Supply Chain Management

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

Page 1 of 2

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

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





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

# Provincial Supply Chain Management


**Special Conditions**

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

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

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

Bidders must complete Compulsory documents and attach it to their tender document, failing which the tender shall not be considered for Stage 1 evaluation.

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

### Stage 1

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

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


### Stage 2

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

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

- Stage One-

- Stage Two-

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	<b>Special Conditions</b>	Page 3 of 3

## SUPPLIER JOB CREATION ANALYSIS

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

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

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

Comments to include:

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

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

=====

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





**TERMS OF REFERENCE FOR THE APPOINTMENT OF THE SERVICE PROVIDER TO REVIEW THE FINANCIAL AND RETAIL SECTOR STRATEGY 2015/2016, DEVELOP THE GAUTENG FINANCIAL SERVICES SECTOR STRATEGY 2021-2026, AND DEVELOP THE TOWNSHIP GROUP-SCHEMES INVESTMENT MODEL.**

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## 1. BACKGROUND

The economic programme of Gauteng Provincial Government focuses on 10 high-growth sectors, with an emphasis on the transversal role of linking investment facilitation to value-chain transformation and SMME empowerment through active enterprise and supplier development, specifically including linkage to clusters of township suppliers, both operating from existing premises and from revitalized township industrial estates.

- Energy, with a focus on new technologies and a diverse energy mix
- Transportation and logistics
- ICT and digital services with a focus on the gig economy
- Tourism and Hospitality
- Food, Beverages, Agro-processing and agribusiness
- Construction and Infrastructure
- Automotive, Aerospace and Defense
- Financial services
- Cultural and creative services
- Industrial Cannabis

The financial services sector plays a crucial role in enabling growth and job creation, building infrastructure, and supporting development across industries. The sector encompasses a broad range of sub-categories such as retail banking, corporate and business banking, investment banking, tax-accountancy advisory, insurance, investments/ private-equity funds, micro-lending and stock brokerages as well as group banking schemes like financial co-operatives and mutual banks. This sector allows people and businesses to make day-to-day transactions, save and preserve wealth, and insure against disasters or unforeseen events. Additional to the abovementioned services, financial services sector is one of the important employer and economic driver in both South Africa and Gauteng's economy. It contributes over 20% towards Gauteng's GDP and total employment level. The largest portion of financial activities in South Africa occurs in Gauteng Province. In 2019, the province accounted for approximately 43% of financial activity in South Africa, followed by Western Cape and KwaZulu- Natal.

The role of financial services affects the value chain across the whole economy. The availability and cost of finance can determine how (or if) a business gets started. Financial services underpin the day-to-day activities across all points in the economy and provide insurance for various

players. It also has a critical impact on the final consumer (both household and businesses), affecting their ability to buy goods. This illustrates the important role that the sector has to play in Gauteng achieving its goals of “Growing Gauteng Together 2030”, in assisting the whole South African nation in recovering from the adverse effects of COVID-19 and lockdown restrictions, and also in assisting KwaZulu-Natal and Gauteng economies in rebounding from the July 2021 horrific damages caused by public riots and looting of retail stores.

### ***Impact of covid-19***

Covid-19 and various economic lockdowns imposed since March 2020 has left many businesses and households in major need for financial assistance. Many businesses lost their revenues, and those with weak balance sheet and without credit facilities were unable to meet their operational expenses, resulting in them facing permanent closure, unless they receive financial assistance from government. Further, many households lost their income due to either retrenchment or salary-cuts. The above events resulted in financial services sector being one of the important players in ensuring that the society at large survives the aftermath of various economic lockdowns. Businesses and households that are financially excluded, thus, those without insurance, strong balance sheet and access to credit facilities were left to rely on various government relief schemes.

Additionally, the pandemic has accelerated the use of automation in all sectors of the economy, including financial services. The use of digital financial services platforms increased drastically due to temporary closure of physical branches. This left a large number of the population—mostly low income earners (who either still do not understand how to use digital services or are still too afraid to use it, which calls for acceleration of financial literacy among black communities) who do not have access to digital services were inconvenienced.

### ***Impact of July 2021 public riots in KZN and GP***

The importance of business insurance was enhanced when public riots and looting of retail outlets in KwaZulu-Natal and Gauteng Province during the week of 11<sup>th</sup> -17<sup>th</sup> July 2021 resulted in extensive damages of business properties in affected areas. Many large formal businesses that experienced severe damages due to the public riots, will be able to rebound, as mostly are insured and have financial reserves and alternative financial buffers. However, that will not be the case for many SMMEs with no insurance and limited financial resources.

Majority of SMMEs (employing youth and low-semiskilled workers) affected by the unrest will find it difficult to recover, resulting in permanent closure, as many do not have business insurance. Surveys have indicated that over 90% of SMEs operating in the townships are not insured. Additionally, due to their informality, majority of these businesses and their employees might not meet the criteria for government relief schemes such as UIF temporary employer-employee relief scheme. This creates a need for the sector to accelerates the efforts of developing products that can enable SMEs to have access to business insurance.

### ***Investing in the township economy***

Financing and investing in township economy represents an attempt by government towards expansion of access to finance as well as ensuring a greater movement towards self-financing by township enterprises. This assertion to provide alternative funding mechanisms for township enterprises emanates from a realisation that the mainstream economy has set in place stringent borrowing and lending instruments leaving such enterprises in the lurch or in the periphery of the mainstream financial system. As a result, the rate of business expansion in the township is low (*almost non-existent*) compared to businesses located in other geographic locations.

The finance sector that supports township economic activities is mainly confined to informal financial transactions in the form of ***Stokvels***<sup>1</sup>, ***Mashonisa (Money lending)*** and ***burial societies***. Like the taxi industry, this sector grew out of desperate need for credit facilities and funeral insurance, among other things. The current challenges affecting the sector negatively are well known, ranging from misuse of money belonging to society members, charging exorbitant rates by the money lenders creating vicious spiralling debt cycle. Notwithstanding the foregoing, the sector has defied odds and continued to flourish and grow alongside the formal financial system. The existence of the sector also explains the dichotomous relationship between the first and the second economy.

Burial societies are a well-known informal financial mechanism in South Africa, with an estimated membership of six million. It is, therefore, not surprising that this sizable market has attracted a great deal of attention from the formal financial and insurance sector. Several attempts have been made to formalise burial societies, with varying degrees of success.

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<sup>1</sup> characterisation of rotating savings and credit associations

The broad set of principles which underpin the township economy are as follows:

- Cooperation - working together by township enterprises in every way possible to derive the benefits of competitive advantage
- Solidarity - an on-going commitment to purchase goods and services within and between townships.

## **SITUATIONAL ANALYSIS**

The GPG, as part of the broad Township Economic Revitalization programme that is being framed by the new act, is also establishing the Township Economy Partnership Fund (TEPF). A total amount of two hundred and fifty million rand has been allocated to be deployed via the Gauteng Enterprise Propellor (GEP) wholesale risk capital to be pooled with other public sector capital pools and private sector investors with an appropriate impact mandate, loaned out to general partnerships and/or platforms that can run portfolios of loans for unbanked and underbanked firms across the focus areas (see below). The platforms chosen have to be able to use data in place of collateral, blend in alternative/ cashflow based credit scoring, fintech systems and business development support to keep loan recovery rates above 95% across each portfolio. GEP & the Industrial Development Corporation (IDC) are – as at time of writing – at the final stages of concluding an agreement for IDC to pool funding with GPG as part of this initiative.

South Africa's banking industry is generally viewed as the strongest, stable and the most developed in the African continent, with over R5.7 trillion assets under management<sup>2</sup>. In 2019, there were 78 banking institutions in South Africa registered with the Prudential Authority. This includes 30 foreign banks with approved representative offices in South Africa. The entrance of new retail banks, such as Capitec Bank, Tyme Bank and Discovery Bank have enhanced the affordability and access to formal retail financial services across the country. According to FinScope, approximately 34 million adults in South Africa had access to formal financial services in 2017, relative to 20 million in 2007. Despite the above improvements, there still many gaps and market failures that requires government interventions. The following are some of the gaps/ market failures (list not exhaustive):

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<sup>2</sup> Banking Association of South Africa

**Theme 1: Access to financial services**

- Access to capital and credit remains a challenge for many SMMEs-especially township SMMEs, despite the existence of several government funding entities and Developmental Finance Institutions. Recent surveys focused on South Africa's funding landscape reveals that approximately only 6% of SMMEs that apply for funding gets approved.
- Lack of access to funding by SMMEs hampers much needed SMME growth which is envisaged to translate in higher jobs opportunities and South Africa reaching a higher economic growth trajectory.
- Access to business insurance and exports financing (which encompasses insurance) remains a luxury for large number of businesses from the townships
- Access to credit for many low-income earning individuals remains a problem. Many individuals in this segments resort to micro-lenders for credit, which normally charges high lending rates.
- Adverse risk profiling which results in higher cost for borrowing.

**Theme 2: Education**

Financial literacy remains a challenge among many South African black households and businesses. Covid-19 pandemic has accelerated the use of automation in all parts of the economy. The use of digital financial services is no longer a luxury but a necessity since many banks are cutting down on their physical branches and investing more in their digital offerings. This creates a need for more awareness workshop/ training to many communities that still perceive digital financial services as too risky. Additionally, a large number of population which do meet the criteria of being a "private-wealth client" are not exposed to various financial products that can enable them to build wealth for their future and prepare for their various future financial obligations. There is a need for more public awareness of various investments, savings, insurance, credit, and wealth products.

**Theme 3: Sector transformation**

- There is a need to use cooperative finance schemes to contribute to the building of strong township economies while also enabling township residents to have ownership of assets in their respective communities. The Township Economy Programme locates finance at



the centre of the drive to transform communities. Traditional forms of cooperation and solidarity in community finance exist in all the townships and they remain vibrant to this day. However, mostly remain informal and as a result has had muted impact on the economy of townships and communities. Gauteng Government intends to strengthen the access to cooperative finance for township enterprises to bring more township residents into the mainstream economy. The existence of informal or social saving schemes in the form of stokvels provides an opportunity for township residents to partner with government to ensure that funds are invested in productive social and economic activities and further mobilized for collective use.

- Lack of black fund managers in both traditional and alternative investments space

The above emphasizes the need for Gauteng Provincial Government to have the strategy which can provide a plan and guidance in addressing the gaps/market failures within the financial services sector, thus, enabling the sector to being an effective contributor to achieving GGT2030 plan. The framework needs to propose clear micro-projects with a comprehensive implementation plan and possible strategic partner/s. Existing interventions focused on Financial Services Sector from Gauteng Provincial Government have been sorely biased towards being effective in providing capital and credit funding to SMMEs. Therefore, the Provincial Government need a comprehensive financial services intervention framework, which can provide guidance on how to enhance existing initiatives and also address other challenges prevalent in the sector.

### ***Objectives of the Gauteng Financial Services Strategy***

The envisaged Gauteng Financial Services Framework's ultimate goal is to enhance financial inclusion across the whole Gauteng City Region, thus, to build the financial services sector that caters or addresses the needs of all individuals and business enterprises, which has a potential of unlocking greater value across all three sector of the economy (primary, secondary and tertiary). To achieve a more financially included society, the Gauteng Financial Services Strategy will aim at achieving the following, but not limited to the list below:

- Enhancing access to financial services (whether credit, equity or insurance) by SMEs, especially township SMEs;
- Enhancing access to credit, insurance and investment products by lower-income individuals;
- Enhancing the level of financial literacy among individuals and enterprises;
- Enhancing the participation of black professionals in the sector;

- Lowering the cost of borrowing for township SMMEs; and
- Stimulating/encouraging the use of cooperative finance schemes to contribute meaningfully in building strong township economies while also enabling township residents to have ownership of assets in their respective communities.

## **2. SCOPE OF WORK**

The required work is expected to be carried out in the following:

- a) Review of the Gauteng financial and retail sector strategy,
- b) Conduct a comprehensive financial services sector analysis. This should cover past, current, and future expected performance, SWOT analysis with greater focus on threats and opportunities, current and future drivers of relating to the above identified themes, and other market failures (above from what is already identified by GDED)
- c) Based on the analysis conducted under (a and b), recommend an implementable solutions/ and or opportunities for each gap/market failure, with a detailed implementation plan, resources required and identify possible strategic partners. Identify, if any, regulatory requirements for recommended solutions.
- d) Develop the Gauteng financial services sector strategy 2021-26.
- e) Develop a township group-scheme investment model.
- f) Organise engagements with identified strategic partners and stakeholders

## **3. EXPECTED OUTPUTS**

The work deliverable is expected to cover the following but not limited to:

- a) Conducting a comprehensive financial services sector analysis,
  - i. Provide a trend analysis of financial inclusion, relative to global trends/ conduct a benchmark exercise, by analysing financial inclusion trends in relation to the global trends
  - ii. Providing a SWOT analysis
  - iii. Provide proven drivers and barriers to financial inclusion
  - iv. Provide Sector Value Chain Analysis, and identify which part of the value chain requires regional/ provincial government intervention

- v. Provide Gaps and market failures that requires interventions and can be addressed by government
  - vi. Provide cluster opportunities
- b) Provide recommendations for each identified gap/ market failure. Each recommendation needs to have a detailed implementation plan, resources required, regulatory requirements if any, and possible strategic partner/s
  - i. Provide mechanism/s that can be used to increase financial literacy among individuals and SMMEs
  - ii. Provide mechanism/s that can be used to increase access to affordable credit and other financial products by lower income earning individuals
  - iii. Provide a detailed plan that government can use to increase the participation of black professionals in the capital fund management landscape
  - iv. Develop and recommend an export financial programme that Gauteng Provincial Government can use to assist Gauteng's exporters
  - v. Provide a detailed partnership plan for GDED and possible partner in developing an Over-the-Counter platform for the target group
  - vi. Provide mechanisms that Gauteng Provincial Government can use to mobilize/encourage or stimulate the use of various financial group schemes in the townships to contribute to the revitalization of township economies while also enabling township residents to have ownership of assets in their respective communities
  - vii. Provide financial mechanisms that Gauteng Provincial Government can use in addressing the long-term effects of covid-19 and public riots and looting of retail outlets
- c) Provide a stakeholder map and organise stakeholder engagements.

#### **4. PROJECT REQUIREMENTS**

The prospective bidder shall submit a proposal detailing the following:

- a. Their understanding of the Scope of Work and our requirements
- b. A methodology to undertake this assignment in line with the scope of work above
- c. Project Team CVs and Qualifications which must show expertise in the following areas:
  - Development Finance,

- Strategy and or Policy Development,
  - Economics and/ or Financial Economics and/ or Econometrics,
  - Finance and/ or Investment,
  - Public Administration and/ or Business Administration.
- d. An experience schedule on similar assignment(s) and reference letters must be provided
- e. A project plan indicating the methodology along with milestones in line with the scope of work above
- f. A detailed pricing schedule, including a financial proposal with pricing per deliverable above and matched with the human resources capacity.

**Note:**

**The project team should constitute as follows in order to execute the work:**

- (i) **A Team Leader with at least six (6) years' expertise/experience and related qualification/s on the following study disciplines stated below:**
- (ii) **At least three (3) team members each with a minimum of five (5) years expertise/experience and related qualification/s stated below:**

**Study disciplines within Development Finance and/ or Strategy and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public Administration and/ or Business Administration.**

- **The three (3) project team members stated above should have a collective expertise/experience and related qualification/s as stated in the above study disciplines.**

**NB: Failure to submit a project team consisting of team leader and at least three (3) team members as indicated above, the bidder will be deemed unresponsive and disqualified from further evaluations.**

#### **4.1. JOINT VENTURES OR CONSORTIUMS**

**GDED encourages strategic joint-ventures/ consortiums relevant to the scope of work, thus**

- Any Joint ventures/ consortiums with other companies will need to add the following documents also:
  - It is compulsory for bidders who bid as a joint venture/consortium to submit an agreement signed by both parties stating the applicable percentages

- Copy of a consolidated certified B-BBEE Certificate from a SANAS accredited entity must be attached for joint venture and consortiums
- Companies submitting in a form of a Joint Venture or consortium must be tax compliant, thus each company in the joint venture or consortium must submit a tax clearance certificate.

## **5. TIME FRAMES**

The time allocated for the deliverables from date of inception is six (6) months (approximately twenty-four (24) weeks). A detailed project timeline would have to be reflected under the methodology segment.

## **6. EVALUATION CRITERIA**

### **THE STAGED APPROACH WHICH WILL BE APPLIED IN THE EVALUATION OF BIDS**

- a) Stage one will be the evaluation of bids on Pre-qualification, Administrative Compliance, Mandatory requirements and Technical Evaluations,
- b) Stage Two evaluation will be based on Price and Preference points only.
  - Price = 80 points
  - Preference = 20 points

### **6.1. STAGE 1A: PRE-QUALIFICATION CRITERIA**

In applying Preferential Procurement Regulation of 2017, the department invokes Regulation 4(1) in relation to applying a pre-qualification criterion to advance designated groups. The following criteria will be applied to this tender with the specific conditions that interested bidders can respond to with the following requirements:

- a) A tenderer must be between levels 1 to 3 as a B-BBEE status level contributor, **and**
- b) A tenderer must sub-contract a minimum of 30% of the value of the contract to one of the following designated groups:
  - a. an EME or QSE which is at least 51% owned by black people;
  - b. an EME or QSE which is at least 51% owned by black people who are youth;

- c. an EME or QSE which is at least 51% owned by black people who are women;
- d. an EME or QSE which is at least 51% owned by black people with disabilities;
- e. an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- f. a Cooperative which is at least 51% owned by black people;
- g. an EME or QSE which is at least 51% owned by black people who are military veterans;

Bidders should note that it is the responsibility of the bidder to conduct due diligence on the sub-contractor.

**The following documents are mandatory for the prequalification criteria evaluation:**

- A certified copy of a valid B-BBEE Certificate issued by a SANAS accredited verification agency or a Sworn Affidavit in the case of an Emerging Micro Enterprise (EME) and/or Qualifying Small Enterprises (QSE) signed by the deponent and attested by a Commissioner of Oath. (For both the main bidder and the subcontracted company)
- Certified copies of ID's of owners of the company dated, stamped and certified by Commissioner of Oaths not more than 6 months old. (For the subcontracted company to verify black women and/or black youth ownership)
- A tenderer must submit a signed agreement between two parties of their intention to sub-contract and clearly indicating the percentage to be subcontracted by a tenderer

**NB: Failure to meet the requirements stated above will result in disqualification.**

**6.2. STAGE 1B: ADMINISTRATIVE COMPLIANCE**

- Submission of RFP Pack Section 1 and 2 with all the pages.
- Completed and signed in full the Standard Bidding Documents by the bidder (SBD):
  - ❖ Section 1: SBD 1,4,8, and 9.
  - ❖ Section 2: SBD3.3 and 6.1

**OTHER REQUIRED DOCUMENTS**

- A valid Tax Compliance Status (TCS) Pin
- Proof of registration with the National Treasury Supplier Database (CSD)/ CSD registration documents (registration report).
- Valid CIPC certificates (for both the main bidder and the subcontracted company)
- If there will be a share of services between bidders, all relevant parties must sign a share of service agreement and provided supporting documents (In a case of JV, Consortium or Sub-contracting)
- Valid B-BBEE certificate issued by an agency accredited by SANAS or sworn affidavit signed by the deponent and attested by a Commissioner of Oath.

**MANDATORY SBD FORMS**

- **SBD 4** Declaration of interests
- **SBD 3.3** Pricing schedule
- **SDB 8** Declaration of Bidder's Past Supply Chain Management Practices
- **SBD 9** Certificate of Independent Bid Determination
- **SBD 6.1** Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017

**NOTE:** Bidders must ensure that all standard bidding documents are completed and signed, where information is not applicable, it must be indicated as such in the bid document.

**NB:** Bidders who do not comply with the above-mentioned requirements on SBD forms will be disqualified.



### 6.3. STAGE 1C: TECHNICAL EVALUATION

Functionality /Quality Criteria	Total points for criteria
<b>EXPERIENCE OF A SERVICE PROVIDER AS AN ORGANISATION</b>	<b>20</b>
<p><b>Important notes to the bidder:</b></p> <ol style="list-style-type: none"> <li>1. Reference letters must be aligned to same works (strategy and/or policy development and development finance), which have been successfully concluded in the last five years.</li> <li>2. These reference letters must be signed and dated by the company for which the work was done; it must clearly specify the date that the scope of work was conducted; and it must be on an official letterhead of the company for which the work was done.</li> <li>3. The maximum points a bidder can score in this section is 20 points and the lowest score a bidder can score in this section is zero points.</li> </ol> <p><b>Reference letters must be aligned to the following work aspects:</b></p> <ol style="list-style-type: none"> <li>1. Strategy and/ or Policy development</li> <li>2. Development finance.</li> </ol> <ul style="list-style-type: none"> <li>• 1 x Strategy/Policy development letter of reference from previous / current clients = <b>10 points (only one letter will be considered for evaluation)</b></li> <li>• 1 x Development finance letters of reference from previous / current clients = <b>10 points. (only one letter will be considered for evaluation)</b></li> <li>• No letters of reference = <b>0 points</b></li> </ul>	
<b>EXPERIENCE, QUALIFICATIONS AND CERTIFICATION OF KEY PERSONNEL WHO WILL FORM PART OF THE PROJECT TEAM</b>	<b>35</b>
<b>QUALIFICATIONS OF KEY PERSONNEL</b>	<b>20</b>
<p>This section will be scored as follows:</p> <p>For the project team, the points in the section will be scored as follows:</p>	

Functionality /Quality Criteria	Total points for criteria
<ul style="list-style-type: none"> <li>• If there is one member of the project team who have a relevant Master's Degree or higher in one of the following fields (<b>Development Finance and/ or Strategy and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public Administration and or Business Administration</b>) the bidder will receive a score of 20 points.</li> <li>• The same principle applies for a relevant Honors Degree within the above stated fields the bidder will score 15 points,</li> <li>• The same principle applies for a relevant Bachelor's Degree within the above stated fields the bidder will score 10 points,</li> </ul> <p>Only originally certified copies of qualifications which are not older than 6 months must be submitted</p> <p>The maximum points a bidder can score in this section is 20 points and the lowest score a bidder can score in this section is zero points.</p> <p><b>HIGHEST QUALIFICATION</b></p> <ul style="list-style-type: none"> <li>• <b>Relevant Master's Degree or higher= 20 Points</b></li> <li>• <b>Post Bachelor's Degree Honours= 15 points</b></li> <li>• <b>Bachelor's Degree= 10 Points</b></li> <li>• <b>None of the above is zero</b></li> </ul> <p><b>NB: No other qualification will be considered</b></p>	
<b>EXPERIENCE OF KEY PERSONNEL</b>	15
<p>For the project team – key personnel, the points in the section will be scored as follows:</p> <ul style="list-style-type: none"> <li>• If there is one member of the project team who have 15 years or more experience in the following fields (<b>Development Finance and/ or Strategy, and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public</b></li> </ul>	

Functionality /Quality Criteria	Total points for criteria
<p><b>Administration and/ or Business Administration)</b>, the bidder will receive a score of 15 points.</p> <ul style="list-style-type: none"> <li>• If there is one member of the project team who have 8 years or more experience in the following fields (<b>Development Finance and/ or Strategy, and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public Administration and/ or Business Administration.</b>), the bidder will receive a score of 10 points.</li> <li>• If there is one member of the project team who have 5 years or more experience in the following fields (<b>Development Finance and/ or Strategy, and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public Administration and or Business Administration.</b>), the bidder will receive a score of 5 points.</li> <li>• A detailed CV for project team allocated to this project must be attached to the bidder's proposal.</li> </ul> <p>The maximum points a bidder can score in this section is 15 points and the lowest score a bidder can score in this section is zero points</p> <p><b>EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>• 15+ years = <b>15 points</b></li> <li>• 8 + years = <b>10 points</b></li> <li>• 5 + years = <b>5 points</b></li> <li>• Less than 5 years = <b>0 points</b></li> </ul>	

Functionality /Quality Criteria	Total points for criteria
<b>'QUALIFICATION, EXPERIENCE AND CERTIFICATION OF THE PROJECT LEADER THAT WILL LEAD THE PROJECT</b>	<b>10</b>
<b>QUALIFICATION PROJECT LEADER</b>	<b>5</b>
<p>Only originally certified copies of qualifications which are not older than 6 months must be submitted</p> <p>The project leader must hold a qualification in one of the following fields (Finance and Investment, Economics, Business Administration/ and or Public Administration)</p> <p><b>HIGHEST QUALIFICATION</b></p> <ul style="list-style-type: none"> <li>• Relevant Master's Degree or higher = 5 Points</li> <li>• Relevant Post Bachelor's Degree (Honours) = 4 Points</li> <li>• None of the above is zero</li> </ul> <p><b>NB: No other qualification will be considered</b></p>	
<b>EXPERIENCE PROJECT LEADER</b>	<b>5</b>
<p><b>Important notes to the bidder:</b></p> <ol style="list-style-type: none"> <li>1. Years of experience pertains to the experience of the project leader only.</li> <li>2. The relevant experience of the project leader must in relation to the following fields (<b>Development Finance and/ or Strategy, and/or Policy Development and/ or Economics and/ or Financial Economics and/ or Econometrics and/ or Finance and/ or Investment and/or Public Administration and or Business Administration</b>).</li> <li>3. A detailed CV for the project leader allocated to this project must be attached to the bidder's proposal.</li> </ol> <p><b>NB: The CV much provide details with regards to the experience relevant to the fields mentioned above</b></p>	

Functionality /Quality Criteria	Total points for criteria
<p><b>NB: EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>• 10 + years = <b>5 points</b></li> <li>• 6 + years = <b>3 points</b></li> <li>• Less than 6 years = <b>0 points</b></li> </ul>	
<b>METHODOLOGY AND PROPOSAL</b>	<b>30</b>
<p>a) This sub-section will focus on how the bidder will approach the scope of work, that is, who will do what by when? How will the proposed methodology achieve the scope of work and the expected deliverables and outputs?</p> <p>b) The bid submission must include a clear and detailed methodology that presents well-defined activities that have scheduled completion dates with relevant outputs. These activities and related outputs must be fully aligned to the scope of work and the expected outputs/ deliverables as outlined in the terms of reference.</p> <p>c) The maximum points a bidder can score in this sub-section is 30 points and the lowest score a bidder can score in this sub-section is zero points.</p> <p>d) This sub-section will be scored in terms of the following 8 criteria:</p> <ol style="list-style-type: none"> <li>1. The methodology and implementation plan, time-bound &amp; relative to government projects</li> <li>2. The activities in the methodology are linked to clear outputs as stated above;</li> <li>3. The methodology outlines an allocation of human resources for all activities;</li> <li>4. The timelines for activities and outputs are scheduled appropriately to the set time period;</li> <li>5. The methodology must align to the scope of work.</li> <li>6. Provide Quality Management Plan</li> <li>7. Provide Work breakdown structure of activities in relation to methodology</li> <li>8. Skills transfer plan to the project team of the Department</li> </ol> <ul style="list-style-type: none"> <li>• An approach and methodology that meets all the above 8 criteria will be given a full score of 30 points.</li> <li>• An approach and methodology that meets any of 7 of the above 8 criteria will be given a score of 20 points.</li> </ul>	

Functionality /Quality Criteria	Total points for criteria
<ul style="list-style-type: none"> <li>An approach and methodology that meets any of 6 of the above 8 criteria will be given a score of 10 points.</li> <li>An approach and methodology that meets less than 6 criteria will be given a score of 0 points</li> </ul>	
<b>STAKEHOLDER COMMUNICATION</b>	<b>5</b>
<p><b>Stakeholders and communication plan</b></p> <ul style="list-style-type: none"> <li>Identify relevant stakeholders and develop stakeholder map with a communication plan for the project = <b>5 Points</b></li> <li>None of the above = <b>0 points</b></li> </ul> <p><b>Stakeholder mapping</b></p> <ul style="list-style-type: none"> <li>Stakeholder mapping is a collaborative process of research, debate, and discussion that draws from multiple perspectives to determine a key list of stakeholders across the entire stakeholder spectrum</li> <li>The process of stakeholder mapping is as important as the result, and the quality of the process depends heavily on the knowledge of the people participating.</li> <li>We would like the Bidder, to identify important stakeholders in the relevant industries to workshop the document to be produced, thus gathering third party assurance.</li> </ul>	
<b>TOTAL</b>	<b>100</b>
<b>MINIMUM THRESHOLD</b>	<b>70</b>

### Stage 2: Price/Preference points evaluation:

This bid will be evaluated in terms of the Preferential Procurement Policy Framework Act regulations, wherein the following points are allocated

<b>Price points</b>	80
<b>BBBEE points</b>	20

In terms of the **Preferential Procurement Regulations, 2017**, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

**NB: Bidders must be registered on the Central Supplier Data base**

## **9. Bid Prices**

Bidders must express prices for their service in South African currency (Rand). All prices must be inclusive of Value Added Tax and costs to be incurred that are necessary for the execution and completion of the contract in accordance with the bid document. Prices will remain firm for the duration of the contract (i.e. 6 months).

## **7. PAYMENT CONDITIONS**

Service providers will be paid within thirty (30) days after receipt of invoices. Payments will be processed per deliverable accomplished to the satisfaction of the Head of Department.

Payment to suppliers within 30 days of invoice receipt is a national priority. In support of this and towards compliance to section 38 (1) (f) of the PFMA and Treasury Regulation 8.2.3 an executive decision was taken to make electronic Invoice Submission (EIS) registration compulsory for all GPG suppliers whose tender are successful.

Assistance will be provided to the successful supplier(s) in this regard once the tender adjudication and warning processes have been concluded and a supplier or supplier(s) appointed.

## 8. SUBMISSION OF BIDS

The submissions must be made in two separate envelopes, containing the following;

- Envelope 1 – must contain, 1 hard copy of the technical proposal, which are inclusive of SBD 1, 4, 8 and 9
- Envelope 2 – must contain the pricing schedule and Section 2: which are inclusive of SBD 3.3 and 6.1.
- The submissions must be clearly marked with the tender name and the tender number and submitted at Imbumba House, 75 Fox Street, Marshalltown, Johannesburg.

### Technical Enquiries:

Mr. Job Madiba

TEL: (011) 355 8013

EMAIL: [Job.Madiba@gauteng.gov.za](mailto:Job.Madiba@gauteng.gov.za)

### Supply Chain Management Enquiries:

Hlamalani Masetoni

TEL: (011) 355 8126,

EMAIL: [Hlamalani.Masetoni@gauteng.gov.za](mailto:Hlamalani.Masetoni@gauteng.gov.za)





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

# Provincial Supply Chain Management

**Registered Supplier Confirmation**

Page 1 of 1

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

## PLEASE NOTE:

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

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

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

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

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

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

DATE:



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

# Provincial Supply Chain Management

**Tax Clearance Requirements**

Page 1 of 1

## IT IS A CONDITION OF BIDDING THAT -

- 1.1 The taxes of the successful bidder **must** be in order, or that satisfactory arrangements have been made with the South African Revenue Service to meet his / her tax obligations.
- 1.2 The South African Revenue Service (SARS) from the 18 April 2016 has introduced an enhanced Tax Compliance Status System, whereby taxpayers will obtain their Tax Compliance Status (TCS) PIN instead of original Tax Clearance Certificate hard copies.
- 1.3 Bidders are required to submit their unique Personal Identification Number (PIN) issued by SARS to enable the organ of state to view the taxpayer's profile and Tax Status.
- 1.4 Application for Tax Compliance Status (TCS) or PIN may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website [www.sars.gov.za](http://www.sars.gov.za).
- 1.5 In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Compliance Status (TCS) / PIN / CSD Number.
- 1.6 Where no TCS is available but the bidder is registered on the Central Supplier Database (CSD), a CSD Number must be provided.

## QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS/TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER ABOVE 1.4 ABOVE.**



# Provincial Supply Chain Management

**Financial Statements**

**Page 1 of 1**

## Submission of Financial Statements

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

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

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

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

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

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

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

**SBD 9****CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

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

**SBD 9****CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

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

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

**SBD 9**

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

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

**SBD 9**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2

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

The purpose of this document is to:

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

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

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



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## General Conditions of Contract

### 1. Definitions

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

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

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

**security**

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

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

may have against the supplier under the contract.

#### **16. Payment**

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

#### **17. Prices**

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

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

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

#### **19. Assignment**

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

#### **20. Subcontracts**

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

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

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



available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

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

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

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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

Js General Conditions of Contract (revised July 2010)