



**REQUEST FOR PROPOSAL**

**PROVISION OF TURNKEY SERVICES FOR RELOCATION  
AND  
INTERIOR OFFICE DESIGN OF SANAS'S KNOWLEDGE TRANSFER CENTRE  
AND LEAD ASSESSOR'S OFFICE**

**CLOSING DATE AND TIME: 8 FEBRUARY 2013 AT 11H00**

## Documents in tender document pack

**Bidders are to ensure that they have received all pages of this document, which consist of the following subdocuments:**

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# 1. Invitation to Tender

**YOU ARE HEREBY INVITED TO TENDER FOR REQUIREMENTS OF THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)**

Tender number: SANAS/2013/RFPOSL/04

Closing date: 8 February 2013

Closing time: 11h00

**Description: *Provision of turnkey services for relocation and interior office design of the SANAS knowledge transfer centre and lead assessor's office***

Validity: Offer to be valid for 120 days from the closing date of the tender.

**The successful bidder will be required to fill in and sign a written contract form**

*TENDER DOCUMENTS MAY BE DEPOSITED IN THE TENDER BOX SITUATED AT:*

SANAS  
Block G, Ground floor  
**the dti** campus  
77 Meintjies Street  
Sunnyside  
Pretoria

***No faxed or emailed tenders will be accepted.***

**Bidders should ensure that tenders are delivered before the closing date and time to the correct address.**

**If the tender is late, it will not be accepted for consideration.**

- Tenders can be delivered between 08:00 and 16:30, Mondays to Fridays, prior to the closing date, and between 08:00 and 11:00 on the closing date.
- All tenders must be submitted on the official forms (not to be retyped).
- This tender is subject to the General Conditions of Contract (GCC) and, if applicable, any other Special Conditions of Contract.
- Tenders submitted that do not comply with the following may not be considered for evaluation:
  - A tender that is not in the format prescribed.
  - A tender without some or all of the required documents.
  - Pricing schedules not in the required format.
  - Tenders without the required number of copies.
- Any queries regarding tendering procedures and technical information may be directed to:

Name : Zelda Oosthuizen  
Tel. : 012 394 3892  
Fax : 012 394 4892  
email : [zeldao@sanas.co.za](mailto:zeldao@sanas.co.za)

**All bidders must furnish the following particulars and include it in their submission (Failure to do so may result in your tender being disqualified)**

Name of bidder: \_\_\_\_\_

Entity name: \_\_\_\_\_

Registration number: \_\_\_\_\_

Tax registration number: \_\_\_\_\_

Tax Clearance Certificate submitted: YES / NO

VAT registration number \_\_\_\_\_

Postal address: \_\_\_\_\_

\_\_\_\_\_

Street address: \_\_\_\_\_

\_\_\_\_\_

Telephone number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

Cellular number: \_\_\_\_\_

Facsimile number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

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

**Contact details of responsible person who will act on behalf of the entity/consortium/joint venture for this tender**

Name and Surname: \_\_\_\_\_

Telephone number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

Cellular number: \_\_\_\_\_

Facsimile number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

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

**Contact details of alternative responsible person who will act on behalf of the person above should he/she not be available**

Name and Surname: \_\_\_\_\_

Telephone number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

Cellular number: \_\_\_\_\_

Facsimile number: Code: \_\_\_\_\_ Number: \_\_\_\_\_

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

Has an original and valid tax clearance certificate been submitted? YES / NO

Has the necessary documents been provided regarding the local content requirements YES/NO

Has a B-BBEE status level verification certificate been submitted? YES / NO

**If yes, who was the certificate issued by?**

An accounting officer as contemplated in the close corporation act (cca)

A verification agency accredited by the South African National Accreditation System (SANAS); or

A registered auditor

[tick applicable box]

**A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

**Confirmation**

Are you the accredited representative in South Africa for the services offered by you:

YES / NO

**Declaration**

I/We have examined the information provided in your tender documents and offer to undertake the work prescribed in accordance with the requirements as set out in the tender document. The prices quoted in this tender are valid for the stipulated period. I/We confirm the availability of the proposed team members. We confirm that this tender will remain binding upon us and may be accepted by you at any time before the expiry date.

Signature of bidder: \_\_\_\_\_

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

Are you duly authorised to commit the bidder: YES / NO

Capacity under which this tender is signed \_\_\_\_\_

TOTAL TENDER PRICE \_\_\_\_\_ TOTAL NUMBER OF ITEM OFFERED \_\_\_\_\_

*Failure on the part of the bidder to sign this tender form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications in all respects, may invalidate the bid.*

*Bids should be submitted on the official forms and should not be qualified by the bidder's own conditions. Failure to comply with these requirements or to renounce specifically the bidder's own conditions of tender, when called upon to do so, may invalidate the bid.*

**TERMS**

I/We hereby tender to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the Government 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.

I/We agree that -

The bid herein shall remain binding upon me/us and open for acceptance during the validity period indicated and calculated from the closing time of the tender;

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 State 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 State and I/we will then pay to the State any additional expense incurred by the State 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 State 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 State may sustain by reason of my/our default;

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;

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 domicilium citandi et executandi in the Republic as indicated above.

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.

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 this contract.

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.

I/We declare that I/we have participation\*/no participation\* in the submission of any other bid for the supplies/services described in the attached documents. If in the affirmative, state names(s) of bidder(s) involved

.....  
.....

I/We hereby declare that I/We have read and understand the above and agree to be bound by the stated terms and conditions.

Are you duly authorised to sign the bid? **\* YES / NO**

Has the Declaration of Interest been duly completed and included with the other bid forms? **\* YES / NO**

Have the company or any of its Directors, Shareholders or Joint Venture Partners in their present or previous capacity ever been restricted from

bidding by any organ of the State?

**\* YES / NO**

If yes, please provide full details of restriction.

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## 2. Terms of reference:

For the provision of turnkey services for the relocation and interior office design of SANAS's Knowledge Transfer Centre and Lead Assessor's Office

### 1. INTRODUCTION

- 1.1 The South African National Accreditation System (SANAS), a schedule 3A public entity established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 and a member of the Department of Trade and Industry "the dti" COTII, is responsible for promoting accreditation aimed at facilitating international trade and the enhancement of South Africa's economic performance.
- 1.2 SANAS will be relocating ITS Knowledge Transfer Centre and Lead Assessors to Midqueen Building Extension 1, Corner Queen Wilhelmina and Middel Streets, Nieuw Muckleneuck and therefore requires an appropriately experienced, qualified, professional, innovative, quality driven and expert company to offer turnkey services on office relocation and interior design.
- 1.3 These services should include construction, furniture supply, installation and fittings of all relevant equipments, project management, physical office relocation and all other related services. The appointed service provider should offer flexible and client orientated turnkey services to ensure the success of the project.
- 1.4 The appointed service provider will be required to coordinate the entire office relocation and interior design project and ensure that the project is carried out economically, effectively and efficiently. The relocation will take place on or before 30 May 2013
- 1.5 The appointed service provider will be required to work closely with the SANAS internal project team and hold meetings at appropriate times to solicit SANAS inputs
- 1.6 The new office environment should complement SANAS's corporate image.
- 1.7 The SANAS staff complement that will move is 14.
- 1.8 The service provider will be required to complete the project within 9 weeks upon appointment.

### 2. MINIMUM REQUIREMENTS

The following minimum requirements are being specified for potential bidders to prepare their bids for the required accommodation:

	DESCRIPTION	YES	NO	COMMENT
<b>2.1</b>	<b>Generic primary requirements</b>			
<b>2.1.1</b>	The company must have expertise and knowledge in construction to be able to provide construction services, internally and externally.			
<b>2.1.2</b>	The company must be able to provide furniture design and supply services.			



	<b>DESCRIPTION</b>	<b>YES</b>	<b>NO</b>	<b>COMMENT</b>
<b>2.1.3</b>	The company must have project management expertise and develop a project management framework.			
<b>2.1.4 (a)</b>	The company must ensure that macro and micro office relocation and execution of the interior design project plans			
<b>2.1.4 (b)</b>	The company must ensure that the relocation and execution of the interior design project plans and progress reports are provided regularly to the client.			
<b>2.1.7</b>	The company must offer physical move services to relocate all the relevant SANAS goods and furniture.			
<b>2.1.8</b>	The company must offer all turnkey services related to this project.			
<b>2.2</b>	<b>Onsite activities</b>			
<b>2.2.1</b>	The company must monitor onsite activities and report to the client on agreed time lines and provide written reports.			
<b>2.2.2</b>	The company must ensure that no construction work takes place post the relocation process.			
<b>2.3</b>	<b>Interior design and decor</b>			
<b>2.3.1</b>	The company must ensure that all the relevant and critical aspects of office interior design and décor is done according to the space planning, design and décor specifications			
<b>2.4</b>	<b>Procurement</b>			
<b>2.4.1</b>	The company must place all orders and co-ordinate deliveries with various contractors and suppliers during the project.			
<b>2.5</b>	<b>Physical move</b>			
<b>2.5.1</b>	The company must move all SANAS Knowledge Transfer and Lead assessors goods,etc.			
<b>2.5.2</b>	The company must provide door to door office relocation services			
<b>2.5.3</b>	The company must ensure that all goods are labeled, for easy reference, and placed in the appropriate workstations as well as ensuring that all administrative issues are performed prior to and on the day(s) of the relocation.			
<b>2.5.4</b>	The company must ensure that all electrical appliances and gadgets are installed and that, all equipment are functional prior to the physical relocation taking place.			
<b>2.5.5</b>	The company must co-ordinate and ensures that equipment to be moved are in line with the			

	<b>DESCRIPTION</b>	<b>YES</b>	<b>NO</b>	<b>COMMENT</b>
	current SANAS lease requirements with regards to copiers.			
<b>2.5.6</b>	The company must ensure that the signage is in line with the new SANAS corporate identity.			
<b>2.5.7</b>	The company must assist the SANAS to maximize and ensure public visibility through the second SANAS accommodation and adequate branding.			
<b>2.7</b>	<b>Budget</b>			
<b>2.7.1</b>	The company must provide a preliminary budget for the entire project which includes finishes (items, price, finishes) Services (items, price, finishes), Workstations and training furniture (items, price, finishes), Special areas furniture (items, price, finishes), Other (items, price, finishes).			

### 3. CRITERIA FOR THE EVALUATION OF BIDS

Bids will be evaluated in accordance with the 90/10 preference point system contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000).

The evaluation of the bids will be conducted in (3) phases, namely:

- (a) Phase 1: Compliance to the minimum bid requirements.
- (b) Phase 2: Local Content
- (c) Phase 3: Functional evaluation in accordance with the technical specifications
- (d) Phase 4: Price and HDI evaluation in accordance with the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)

<b>No.</b>	<b>Evaluation Process</b>	<b>Compliance</b>			
		<b>Yes</b>	<b>No</b>	<b>Noted</b>	<b>If no, indicate deviation</b>
<b>3.1 PHASE 1: COMPLIANCE WITH MINIMUM REQUIREMENTS</b>					
<b>3.1.1</b>	During Phase 1 all bids will be evaluated to ensure compliance with minimum requirements (e.g. Tax Clearance Certificates). Ensuring that all documents have been completed and that the compulsory specified documentation has been submitted in accordance with the bid requirements. Bids that comply with the minimum requirements will advance to Phase 2 of the evaluation.				
<b>3.2 PHASE 2: LOCAL CONTENT</b>					
<b>3.2.1</b>	During Phase 2, all bids will be evaluated for local content.				
<b>3.2.2</b>	Bids achieving the set minimum will be regarded as having submitted a valid bid				
<b>3.2.3</b>	The applicable sectors for Local content in this bid are:  <b>Textiles and Leather – 100%</b>				

No.	Evaluation Process	Compliance			
		Yes	No	Noted	If no, indicate deviation
<b>3.3 PHASE 3: FUNCTIONALITY</b>					
<b>3.3.1</b>	<p>Functionality will count out of 100 points. Bidders must achieve a minimum score of 70 out of 100 on the functionality evaluation to proceed to the next phase.</p> <p>Bids that score less than 70% of the points available for functionality will be eliminated from further consideration. Points will therefore not be awarded for their cost proposals or for preference.</p> <p>In the event that no bidder complies with the minimum score of 70 out of 100, SANAS reserves the right to select the best proposal(s).</p>				
<b>3.3.2</b>	All bids that advance to Phase 3 will be evaluated by a Bid Evaluation panel to determine compliance with the functional requirements of the bid.				
<b>3.3.3</b>	A physical site inspection would form part of the evaluation of the bids as the panel will require access to the proposed accommodation.				
<b>3.3.4</b>	The functional evaluation will be rated out of 100 points and the evaluation criteria and weights for functionality are indicated in the table in paragraph 6.1, these will apply.				
<b>3.3.5</b>	<p>The percentage scored for functionality should be calculated as follows:</p> <p>Each panel member shall award values for each individual criterion on a score sheet. The value scored for each criterion shall be multiplied with the specified weighting for the relevant criterion to obtain the points scored for the various criteria. These points should be added to obtain the total score.</p> <p>The percentages of each panel member shall be added together and divided by the number of panel members to establish the average percentage obtained by each individual bidder for functionality.</p> <p>After calculation of the percentage for functionality, the prices and preference points of all bids that obtained the minimum score for functionality will be taken into consideration.</p>				
<b>3.4 PHASE 4: AWARDING OF POINTS FOR BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBEE)</b>					
<b>3.4.1</b>	<i>The bidders that have successfully progressed through</i> to Phase 4 will be evaluated in accordance with the 90/10 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and the accompanying new Preferential Procurement Regulations				

No.	Evaluation Process	Compliance			
		Yes	No	Noted	If no, indicate deviation
	promulgated during 2011. 90 points will be awarded for price while 10 points will be allocated for preference points for BBEE as prescribed in the regulations.				
<b>4 PRESENTATIONS</b>					
4.1	SANAS may request presentations by the bidders ranked first to third once price and preference points have been combined. The SANAS may, if it is considered in the interest of the state, expand the shortlist to include more bidders.				
4.2	Bidders required to attend a presentation will be notified at least three working days prior to the presentation date.				
4.3	Presentations will be made to the full Bid Evaluation Committee.				
4.4	Presentations shall only affect the points awarded for functionality.				
4.5	Points determined by the presentation will be awarded to each bidder by each member of the Bid Evaluation Committee and then an average calculated.				
4.6	The preparation costs and all expenses to do the presentation will be for the bidders' own account.				
<b>5 ADJUDICATION OF BID</b>					
5.1	The Bid Adjudication Committee will consider the recommendations and make the final award. The successful bidder will usually be the service provider scoring the highest number of points or it may be a lower scoring bid on justifiable grounds or no award at all.				
<b>6 EVALUATION CRITERIA</b>					
6.1	All qualifying bids will be evaluated in accordance with the criteria as stipulated in the table below				

CRITERION	Rating					Weight	Total
	1	2	3	4	5		
The Bids will be evaluated on a scale of 1 – 5 in accordance with the criteria below. The rating will be as follows: 1 = Very poor, 2 = Poor, 3 = Good, 4 = Very good, 5 = Excellent							
<b>1. Functionality</b>							
<b>Company track record:</b> A proven track record substantiated by reference to entities for which similar services have been provided for during the past three years. This shall include the following information for each project undertaken: <ol style="list-style-type: none"> <li>Entity name;</li> <li>Contact name and telephone number;.</li> <li>Date when service was rendered;</li> <li>Description of service;</li> <li>Duration of project; and</li> <li>Contract price.</li> </ol>						20	
<b>Expertise and experience of proposed team:</b> Relevant technical training and experience of the proposed project team. CV's of the proposed project team must be included in the bid proposal and must indicate relevant qualifications, skills and experience.						20	
<b>Quality of the proposal:</b> In the proposal the bidder shall demonstrate their complete understanding of the assignment and their ability to carry it out efficiently and effectively. A clearly outlined workflow process covering each aspect of the requirements must be apparent in the bid proposal.						20	
<b>Methodology and approach:</b> Bidders must provide a detailed description of how they intend executing the assignment from inception to completion. This must include a proposed project plan and timelines.						20	
<b>Value-adds</b> Bidders must indicate details of how they intend to go beyond the minimum bid specifications and propose a CMS that makes for enhanced compliance monitoring. Bidders are encouraged to use their experience from similar projects to identify gaps not envisaged in the bid.						20	
<b>TOTAL POINTS FOR FUNCTIONALITY</b>						<b>100</b>	
<b>A Threshold of 70% is applicable before price and preference points</b>							
<b>2. Price</b>							
2.1. Relative competitiveness of proposed price							
<b>Total points for price</b>						90	
<b>3. Preference points</b>							
3.1. BBBEE status							
<b>Subtotal (maximum 10 points)</b>						10	
<b>TOTAL</b>						<b>100</b>	

### 3. Special Conditions of Tender and Contract

#### Guideline on Completion

- Bidders must indicate compliance or noncompliance on a paragraph by paragraph basis. Indicate compliance with the relevant tender requirements by marking the YES box and noncompliance by marking the NO box.
- If the contents of the paragraph only need to be noted, please mark the NOTED box.
- The bidder must clearly state if a deviation from these requirements are offered and the reason therefore.
- If an explanatory note is provided, the paragraph reference must be attached as an appendix to the tender submission.
- Tenders not completed in the manner may be considered incomplete and rejected.
- Should bidders fail to indicate agreement/compliance or otherwise, SANAS will assume that the bidder is **not** in compliance or agreement with the statement(s) as specified in this tender.

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
<b>1. GENERAL CONDITIONS OF CONTRACT</b>					
1.1	<i>The General Conditions of Contract must be accepted (SBD 09).</i>				
<b>2. ADDITIONAL INFORMATION REQUIREMENTS</b>					
2.1	During evaluation of the tenders, additional information may be requested in writing from bidders. Replies to such request must be submitted, within 5 (five) working days or as otherwise indicated. Failure to comply, may lead to your tender being disregarded.				
<b>3. VENDOR INFORMATION</b>					
3.1	All bidders will be required to provide vendor information and submit the organisation's complete profile.				
<b>4. BROAD BASED BLACK ECONOMIC EMPOWERMENT</b>					
4.1	All bidders will be required to submit a Broad Based Black Economic Empowerment certificate or exemption certificate.				
<b>5. CONFIDENTIALITY</b>					
5.1	The tender and all information in connection therewith shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the tender.				
5.2	All bidders are bound by a confidentially agreement preventing the unauthorised disclosure of any information regarding SANAS or of its activities to any other organisation or individual. The bidders may not disclose any information, documentation or products to other clients without written approval of the accounting authority or the delegate.				
<b>6. INTELLECTUAL PROPERTY, INVENTIONS AND COPYRIGHT</b>					
6.1	Copyright of all documentation relating to this assignment belongs to SANAS. The successful bidders may not disclose any information, documentation or products to other clients without the written approval of the accounting authority or the delegate.				
6.2	All the intellectual property rights arising from the execution of this Agreement shall vest in SANAS who shall				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	be entitled to cede and assign such to the Department of Trade and Industry ( <b>the dti</b> ) and the Company undertakes to honour such intellectual property rights and all future rights by keeping the know-how and all published and unpublished material confidential.				
6.3	In the event that the Company would like to use any information or data generated in terms of the Services, the prior written permission must be obtained from SANAS				
6.4	SANAS shall own all materials produced by the Company during the course of, or as part of the Services.				
6.5	This clause 6 shall survive termination of this Agreement.				
<b>7. PAYMENTS</b>					
7.1	No advance payments will be made in respect of this bid. Payments shall be made in terms of the deliverables as agreed upon and shall be made strict in accordance with the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).				
7.2	The contractor shall from time to time during the duration of the contract, invoice SANAS for the services rendered. No payment will be made to the contractor unless an invoice complying with section 20 of VAT Act No 89 of 1991 has been submitted to SANAS				
7.3	Payment shall be made into the bidder's bank account normally 30 days after receipt of an acceptable, valid invoice. (Banking details must be submitted as soon as this tender is awarded).				
7.4	The contractor shall be responsible for accounting to the appropriate authorities for its Income Tax, VAT or other moneys required to be paid in terms of applicable law.				
<b>8. NON-COMPLIANCE WITH DELIVERY TERMS</b>					
8.1	The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the contractor that he will not be able to deliver the goods/services within the delivery period and/or against the quoted price and/or as specified, SANAS must be given immediate written notice to this effect. SANAS reserves the right to implement remedies as provided for in the GCC.				
<b>9. WARRANTS AND SECURITIES</b>					
9.1	The Company warrants that: It is able to conclude this Agreement to the satisfaction of SANAS				
9.2	Although the contractor will be entitled to provide services to persons other than SANAS, the contractor shall not without the prior written consent of SANAS, be involved in any manner whatsoever, directly or indirectly, in any business or venture which competes or conflicts with the obligations of the contractor to provide the Services.				
9.3	The successful bidder (company, directors or members) shall be subjected to a security screening/vetting process conducted by the SSA (State Security Agency) if necessary.				
9.4	The successful bidders sub-contractors appointed to				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	render services in respect of the accommodation and in terms of the contract may be subjected to the security screening/vetting process conducted by the SSA (State Security Agency).				
9.5	Further to the company and directors being subjected to the screening/vetting process it shall be required that all employees directly involved in the execution of this contract be subjected to the security screening/vetting process by the State Security Agency.				
9.6	In the event of an employee of the successful bidder found not to be security competent, the company shall be requested to replace any such person with a security competent person				
9.7	The company shall be required to ensure that no employee is replaced without the written approval of SANAS .				
<b>10. PARTIES NOT AFFECTED BY WAIVER OR BREACHES</b>					
10.1	The waiver (whether express or implied) by any Party of any breach of the terms or conditions of this Agreement by the other Party shall not prejudice any remedy of the waiving party in respect of any continuing or other breach of the terms and conditions hereof				
10.2	No favour, delay, relaxation or indulgence on the part of any Party in exercising any power or right conferred on such Party in terms of this Agreement shall operate as a waiver of such power or right nor shall any single or partial exercise of any such power or right under this Agreement.				
<b>11. RETENTION</b>					
11.1	On termination of this agreement, the contractor shall on demand hand over all documentation, information, software, etc., without the right of retention, to SANAS.				
11.2	No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.				
<b>12. SUBMITTING TENDERS</b>					
12.1	An <b>original plus three copies of the tender</b> , i.e. four documents in total and one soft copy should be handed in/delivered to: SANAS Block G, Ground floor 77 Meintjies Street Sunnyside Pretoria <b>NB: Bidders are to indicate on the cover of each document whether it is the original or a copy</b>				
12.2	Tenders should be in a sealed envelope, marked with: - Tender number ( <b>SANAS/2013/RFPOSL/04</b> ) - Closing date and time (8 February <b>2013 @ 11:00</b> ) - The name and address of the bidder				



No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
12.3	SANAS reserves the right to withdraw this tender, to amend the term or to postpone this work by email notice to all parties who have received this RFP document.				
<b>13. LATE TENDERS</b>					
13.1	Late submissions will not be accepted. A submission will be considered late if it arrived only one second after 11:00 or any time thereafter. The tender (tender) box shall be removed at exactly 11:00 and tenders arriving late will not be accepted under any circumstances. Bidders are therefore strongly advised to ensure that tenders be dispatched allowing enough time for any unforeseen events that may delay the delivery of the tender.				
<b>14. BRIEFING SESSION AND CLARIFICATIONS</b>					
14.1	A briefing session will not be held.				
14.2	Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning the tender, is to be requested in writing (letter, facsimile or email) from: <b>Ms Zelda Oosthuizen</b> The tender number should be mentioned in all correspondence.				
<b>15. FORMAT OF TENDERS</b>					
15.1	Bidders must complete all the necessary tender documents and undertakings required in this tender document. Bidders are advised that their proposal should be concise, written in plain English and simply presented.				
15.2	Bidders are to set out their proposal in the following format: <b>Part 1:</b> Invitation to Tender <b>Part 2:</b> Compliance to Special Conditions of Tender and Noting of Evaluation Process and Criteria <b>Part 3:</b> SARS Tax Clearance Certificate(s) <b>Part 4:</b> Declaration of interest <b>Part 5:</b> Declaration of bidder's past supply chain management practices <b>Part 6:</b> Turnkey project details <b>Part 7:</b> Pricing Schedule. <b>Part 8:</b> BBBEE Certificate <b>and</b> Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2011 <b>Part 9:</b> Declaration of Local content <b>Part 10:</b> Vendor information and profile				
<b>16. DETAIL OF PROPOSAL DOCUMENTS</b>					
16.1	<b>Part 1: Invitation to Tender</b> Bidders must complete and submit the "Invitation to Tender" document.				
16.2	<b>Part 2: Compliance to Special Conditions of Tender and Noting of Evaluation Process and Criteria</b> Bidders must complete indicating compliance/noncompliance or noted. In case of noncompliance details and referencing to the specific paragraph is required.				
16.3	<b>Part 3: SARS Tax Clearance Certificate</b> An <b>original valid</b> SARS Tax Clearance Certificate must				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	accompany the proposal. In case of a consortium/ joint venture, or where subcontractors are utilised, an <b>original valid</b> SARS Tax Clearance Certificate for each consortium/ joint venture member <b>and/or subcontractor</b> (individual) <b>must</b> be submitted.				
16.4	<b>Part 4: Declaration of Interest</b> Bidders must complete and submit the Declaration of Interest.				
16.5	<b>Part 5: Declaration of bidder's past supply chain management practices</b> Bidder's must complete and submit the Declaration form				
16.6	<p><b>Part 6: Turnkey project details</b></p> <p>In order to provide a descriptive proposal including a detailed budget, 3 annexures accompany this RFP as follows:</p> <ol style="list-style-type: none"> <li>1. Furniture and Fittings descriptions and drawings</li> <li>2. Technical drawings</li> <li>3. Finishes demarcation drawings</li> </ol> <p>The following information must be supplied addressing the minimum requirements as pertained under the Terms of Reference and the annexures:</p> <p><b>Company track record:</b> A proven track record substantiated by reference to entities for which similar services have been provided for during the past three years. This shall include the following information for each project undertaken:</p> <ol style="list-style-type: none"> <li>a) Entity name;</li> <li>b) Contact name and telephone number;.</li> <li>c) Date when service was rendered;</li> <li>d) Description of service;</li> <li>e) Duration of project; and</li> <li>f) Contract price.</li> </ol> <p><b>Expertise and experience of proposed team:</b> Relevant technical training and experience of the proposed project team. CV's of the proposed project team must be included in the bid proposal and must indicate relevant qualifications, skills and experience.</p> <p><b>Quality of the proposal:</b> In the proposal the bidder shall demonstrate their complete understanding of the assignment and their ability to carry it out efficiently and effectively. A clearly outlined workflow process covering each aspect of the requirements must be apparent in the bid proposal.</p> <p><b>Methodology and approach:</b> Bidders must provide a detailed description of how they intend executing the assignment from inception to completion. This must include a proposed project plan and timelines.</p> <p><b>Value-adds</b> Bidders must indicate details of how they intend to go beyond the minimum bid specifications and propose a CMS that makes for enhanced compliance monitoring. Bidders are encouraged to use their experience from similar projects to identify gaps not envisaged in the bid.</p>				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
16.7	<b>Part 7: Pricing Schedule</b> Own pricing schedule can be compiled to cover costs as per terms of reference or the provided schedule can be used				
<b>16.8</b>	<b>Part 8: BBEE Certificate</b> Bidders must submit a valid BBEE Certificate where size of business is more than R5 million. Where size of business is less than R5million a BBEE Exemption certificate or letter confirming the size with latest annual financial statements attached.				
	Bidders must complete the Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2011				
16.9	<b>Part 9: Declaration of Local content</b> Bidders must complete and submit the Declaration certificate for Local Production and Content				
16.10	<b>Part 10: Vendor Information</b> A list with the following details in respect of all company directors/members of Close Corporation/partners of partnership must be provided: <ul style="list-style-type: none"> <li>• Full Names and Surname</li> <li>• Identity Number</li> <li>• Designation within organisation</li> </ul> <b>*Failure to provide this information shall invalidate the bid.</b>				
	A comprehensive company profile of the organisation which covers all aspects of the company from initial establishment, i.e. services rendered, management experience, company experience, company structure, experience, affiliation to controlling bodies, etc. <b>*Failure to provide this information shall invalidate the bid.</b>				
	The bidders must provide a list of the sub-contractors intended to be utilised for assisting in with specified activities. The following details must be provided: <ul style="list-style-type: none"> <li>• Name of company</li> <li>• Company registration Number</li> <li>• Service to be provided.</li> </ul>				
	The successful bidder will be required to complete a SANAS Vendor application form & submit the required source documents. Unsuccessful bidders will be invited to register should they wish to do so.				
<b>17. OPENING OF TENDERS</b>					
17.1	There will be a public opening of the tenders received on the closing date 8 February 2013 at 11:00 and bidders are encouraged to attend. Bids will be opened and each recorded on a register together with the price offered. Thereafter no discussions will be held with any supply or organisation until evaluation of the tenders has been completed. Any subsequent discussions shall be at the discretion of SANAS.				
<b>18. PHYSICAL EVALUATION</b>					
18.1	SANAS reserves the right to conduct physical evaluations on short-listed tenders. The purpose of the visits would be				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	to verify the contents of the submitted tenders by means of demonstration and to evaluate bidder's capability to meet the requirements specified in this document and supporting documents.				
<b>19. AWARD AND NEGOTIATION</b>					
19.1	SANAS has the right to enter into negotiation with a prospective contractor regarding any terms and conditions, including price(s), of a proposed contract.				
19.2	Similarly, SANAS reserves the right not to select any of the prospective service providers submitting proposals.				
19.3	SANAS shall not be obliged to accept the lowest of any quotation, offer or proposal.				
19.4	All bidders will be informed whether they have been successful or not. A contract will only be deemed to be concluded when reduced to writing in a contract form signed by the designated responsible person of both parties. The designated responsible person of SANAS is Ron Josias or his written authorised delegate.				
19.5	Documents submitted by bidders will not be returned.				
<b>20. DOMICILIUM</b>					
	The parties hereto choose domicilia citandi et executandi for all purposes of and in connection with the final contract as follows: SANAS Block G, Ground floor 77 Meintjies Street Sunnyside Pretoria 0001				

## 4. Tax Clearance Certificate requirements

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

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za)
6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za)

## 5. Declaration Of Interest

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

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

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

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

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member): .....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:

.....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

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

Name of state institution at which you or the person connected to the bidder

is employed : .....

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

Any other particulars:

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

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

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

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

2.10.1 If so, furnish particulars

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

**YES/NO**

2.11.1 If so, furnish particulars.

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

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

Full Name	Entity Number	Personal Tax Reference Number	Date Employee Number / Personal Number



**4. Declaration**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## 6. Declaration of bidder's past supply chain management practices

1 This tender may be disregarded if the bidder, or any of its directors have:

- Abused the institutions supply chain management systems;
- Committed fraud or any other improper conduct in relation to such a system; or
- Failed to perform on any previous contract

2 In order to give effect to the above, the following questionnaire may be completed and submitted with the tender.

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

**CERTIFICATION**

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

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of bidder

## 7. Pricing schedule

Name of Bidder: \_\_\_\_\_

Offer to be valid for 120 days from closing date of bid

**Please note the following:**

- Own pricing schedule can be compiled to cover costs as per terms of reference.
- Prices to include VAT

8.1	Project	
8.1.1	Indicate the Project Management cost (incl VAT)	R _____/m <sup>2</sup> <b>(incl. VAT)</b>
8.1.2	Indicate the Construction cost (incl. VAT)	R _____/m <sup>2</sup> <b>(incl. VAT)</b>
8.1.3	The prospective bidder needs to list all aspects included within this bid, for which SANAS will be responsible.	
8.1.4	Indicate the macro and micro office relocation cost, including the physical move <sup>2</sup> (incl. VAT)	R _____/m <sup>2</sup> <b>(incl. VAT)</b>
8.1.5	Indicate the cost of executing the office design project plans, including cost of furniture, décor, electrical appliances and gadgets, equipment, signage etc	
8.1.6	<p>The prospective bidder needs to provide a breakdown of all aspects covered and not covered in the turnkey project</p> <p><b><u>NB: Failure to provide this information may invalidate the bid.</u></b></p>	

<b>8.2</b>	<b>Deposit</b>	
8.2.1	The prospective bidder needs to provide a breakdown and information of any deposit required	
<b>8.3</b>	<b>Additional costs</b>	
8.3.1	Provide information on other costs excluded	

## 8. Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2011

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

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### 1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	<b>POINTS</b>
<b>1.3.1.1 FUNCTIONALITY/PRICE</b>	90
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	10
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

- 2.1.1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;
- 2.3 **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **"consortium or joint venture"** 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;
- 2.8 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **"non-firm prices"** means all prices other than "firm" prices;
- 2.13 **"person"** includes a juristic person;
- 2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;

- 2.15 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3. Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE

#### 4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

**80/20**                      or                      **90/10**

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P<sub>s</sub> = Points scored for comparative price of bid under consideration

P<sub>t</sub> = Comparative price of bid under consideration

P<sub>min</sub> = Comparative price of lowest acceptable bid



## 5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

**6. BID DECLARATION**

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

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

**8 SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....%
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm : .....

9.2 VAT registration number : .....

9.3 Company registration number .....

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....  
.....

9.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? .....

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - a) disqualify the person from the bidding process;
  - b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - e) forward the matter for criminal prosecution

**WITNESSES:**

1. ....

.....  
SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

## 9. Declaration Certificate for Local Production and Content

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

### 1. General Conditions

1.1. Preferential Procurement Regulations, 2011 (Regulation 9. (1) and 9. (3) make provision for the promotion of local production and content.

1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.

1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left( \frac{x}{y} \right) \times 100$$

Where

x imported content

y bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as indicated in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and
- this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

**3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content? YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID No.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, ..... (full names), do hereby declare, in my capacity as ..... of .....(name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R
Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % , as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in

Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

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

**WITNESS No. 1** \_\_\_\_\_

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

**WITNESS No. 2** \_\_\_\_\_

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

## 10. General Conditions of Contract

### NOTES

The purpose of this document is to:

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

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

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



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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the

detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services ,such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

## **2. Application**

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

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

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

- 3. General** 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)
- 4. Standards** 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.** 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights** 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security** 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and

returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

## **8. Inspections, tests and analyses**

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

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

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

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

## **9. Packing**

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

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be

expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

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

3.2 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 contract 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.

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

24.1 When, after the date of bid, provisional payments are required, or antidumping 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.