



UBUHLEBEZWE LOCAL MUNICIPALITY

INVITATION TO BID

BID REFERENCE NO. : UBU-B-03/03/20

**APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE THE
SOCIAL FACILITATION, COMPILATION AND SUBMISSION OF A
COMPREHENSIVE TOWN PLANNING APPLICATION**

PROCUREMENT DOCUMENT

Name of Tenderer	_____
Telephone Number	_____
Fax Number	_____
Address	_____
Tender Sum	_____
BBBEE Level	_____
CSD Reg. No.	_____

CLOSING DATE OF THE BID: 03rd July 2020 AT 12:00

AT THE PEACE INITIATIVE HALL,

IXOPO

NO LATE SUBMISSIONS WILL BE CONSIDERED

UBUHLEBEZWE MUNICIPALITY
P.O. BOX 132, IXOPO, 3276

TEL: (039) 834 7700

FAX: (039) 834 1168

The offers will remain valid for 90 days from the closing date for submission of proposals

Bidders should ensure that bids are delivered timeously to the correct address. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically will not be accepted. Documents must be submitted in a clearly marked sealed envelope and placed in the tender box of the Municipality, which can be found at:-

Peace Initiative Hall two blocks below the Ixobho High School see below



TENDER ADVERT

29 Margaret Street
Ixopo
3276
Tel: 039 8347700
Email: mm@ubuhlebezwe.gov.za



Po Box 132
Ixopo
3276
Fax: 039 8341168
Webpage: www.ubuhlebezwe.gov.za

UBUHLEBEZWE MUNICIPALITY

INVITATION TO BID

Ubuhebezwe Municipality invites suitable, qualified, and experienced service provider to provide services to the municipality.

PROJECT NAME	BID NUMBER	CIDB Grade	Compulsory Briefing session	AVAILABILITY OF TENDER DOCUMENTS	NON REFUNDABLE PRICE	CLOSING DATE
Internet Service Provider (Re-advertisement)	UBU-B-08/01/20	N/A		Documents will be available from 8 th June 2020 at 8h00. Cut-off for EFT purchases: 25 th June 2020 @ 17h00 Cut-off for purchase through our cashiers: 26 th June 2020 @ 15h30 Cut-off date for sending queries is 29 th June 2020 Queries for clarity must be sent on the emails provided on the advert	R 404.25 per doc. Cashier's Office, 29 Margaret Street	03 rd July 2020 at 12h00
Supply, Installation, Automation, Monitoring and Maintenance of multi-functional printer machine for 24 months (Re-advertisement)	UBU-B-02/03/20					
Supply, installation, and commissioning 130 KVA (3 phase generator) (90% local manufactured cables must be supplied and MBD 6.2 must be completed)	UBU-B-02/05/20					
Social facilitation, compilation, and submission of a comprehensive town planning application (Re-advertisement)	UBU-B-03/03/20					
Panel of electrical consultants for the Financial year 2020/2021, 2021/2022, 2022/2023	UBU-B-01/05/20					
Construction of Nyide Access Road	UBU-B-03/05/20	3CE or Higher	17 th June 2020 at 11h00 Venue: Peace Initiative Hall	NB: Documents will be available from the 8 th June 2020 at 8h00. Cut-off for EFT purchases: 10 June 2020 @ 17h00 Cut-off for purchase through our cashiers: 11 June 2020 @ 15h30 Cut-off for confirmation to attend briefing: 12 June 2020 @ 16h30	R 694.58 per doc. Cashier's Office, 29 Margaret Street	
Construction of Ntakama Access Road	UBU-B-04/05/20					
Construction of Ntsheleni Access Road	UBU-B-05/05/20					

Construction of Thandabantu Access Road	UBU-B-06/05/20				
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(100% local steel manufactured material must be supplied & MBD 6.2 local production & content must be completed for the Construction of Thandabantu Access Road, Construction of Ntsheleni Access Road, Construction of Ntakama Access Road & Construction of Nyide Access Road)

BID Documents clearly marked the " bid name and the relevant BID NO." must be deposited in the tender box at the entrance of Peace Initiative Hall where bids will be opened in public. The name and address of the bidder must be clearly written on the sealed envelope containing the bid.

NB: Latecomers will not be admitted. Only tenderers with tender documents will be allowed to attend the briefing session. Tenderers to send confirmation to attend briefing via email to nngewu@ubuhlebezwe.gov.za indicating company name and representative. Should the number exceed 40 two session will be held and communication will be sent to all bidders prior the briefing date. Tender documents will also be available free of charge on www.etenders.gov.za and www.ubuhlebezwe.gov.za. Tenderers without a face mask will not be allowed to attend the briefing session and you will be required to be at the briefing venue by 10h00 in order to ensure compliance with Covid 19 regulations (sanitizing, screening, social distancing etc.). Tenderers who fail to meet the stated time will not be allowed to the venue. Any person who will be found with a body temperature of 38°C and above will not be allowed in the venue.

Enquiries regarding this notice may be directed as follows:

Attention: Internet service provider (udukada@ubuhlebezwe.gov.za), multi-functional printer machine (mcmbhele@ubuhlebezwe.gov.za), Social facilitation, compilation and submission of a comprehensive town planning application (tlmthembu@ubuhlebezwe.gov.za, mgebashe@ubuhlebezwe.gov.za), Construction of Thandabantu Road, Ntsheleni Road, Ntakama Road, Nyide Road and Panel of electrical consultants (sbmkhwanazi@ubuhlebezwe.gov.za), 130 KVA generator (znmihanti@ubuhlebezwe.gov.za) and SCM related matters (jindlovu@ubuhlebezwe.gov.za, etmathanda@ubuhlebezwe.gov.za) Tel: 039 – 834 7700 Fax: 039 – 834 1168

Late bids or bids received by way of post, facsimile or e-mail will, under no circumstances, be considered. The Ubhlebezwe Municipality subscribes to the Preferential Procurement Framework Act, Act 5 of 2000. The 80/20 principle applies to this bid. Bids shall be valid for a period of 90 days. The Ubhlebezwe Local Municipality does not bind itself to accepting the lowest, or any bid, either wholly or in part or give any reason for such action. If the price offered by tenderer is not market related the municipality may not award the contract to that tenderer and may negotiate for market related price with the tenderer, failing which negotiate with the next highest scoring tenderer or the tender may be cancelled.



Mr. G.M. Sineke
Municipal Manager

MBD1

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:	UBU-B-03/03/20	CLOSING DATE:	03 RD July 2020	CLOSING TIME:	12h00
DESCRIPTION	Social facilitation, compilation and submission of a comprehensive town planning application (Re-Advertisement)				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

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

UBuhlebezwe Municipality					
29 Margaret Street					
Ixopo					
3276					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE		R	
SIGNATURE OF BIDDER	DATE			
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	BTO				
CONTACT PERSON	Ms M P Mbatha		CONTACT PERSON	Mr S B Mkhwanazi	
TELEPHONE NUMBER	039 834 7700		TELEPHONE NUMBER	039 834 7700	
FACSIMILE NUMBER	039 834 2978		FACSIMILE NUMBER	039 834 1168	
E-MAIL ADDRESS	mpmbatha@ubuhlebezwe.gov.za		E-MAIL ADDRESS	sbmkhwanazi@ubuhlebezwe.gov.za	

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:										
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>										
2. TAX COMPLIANCE REQUIREMENTS										
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>										
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS										
<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="width: 30%; text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> </table> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>	3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
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3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO									

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:.....

DATE:

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UBUHLEBEZWE LOCAL MUNICIPALITY

TERMS OF REFERENCE

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A
SERVICE PROVIDER TO UNDERTAKE THE SOCIAL
FACILITATION, COMPILATION AND SUBMISSION OF A
COMPREHENSIVE TOWN PLANNING APPLICATION**

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE THE SOCIAL FACILITATION, COMPILATION AND SUBMISSION OF A COMPREHENSIVE TOWN PLANNING APPLICATION

1. INTRODUCTION

- 1.1. The purpose of the Terms of Reference is to clearly state and guide the service provider when developing a proposal for the above-mentioned project.
- 1.2. To achieve social facilitation, compilation and submission of a comprehensive town planning application and facilitation of all surveying and conveyancing procedures needed to extract all municipal roads within Ixopo Town area.
- 1.3. The municipality accordingly invites interested parties to submit proposals, in order to be considered for the appointment as service provider to execute the above-mentioned project.
- 1.4. The service provider must comply with all Legislative and Government policies and be registered with applicable professional bodies for town planning with team member(s) registered as a land surveyor and a conveyancer.
- 1.5. The service provider will have to ensure compliance with all conditions of approval subject to approval of the town planning application.

2. BACKGROUND INFORMATION

2.1. GEOGRAPHICAL LOCATION – PROJECT AREA

UBuhlebezwe Local Municipality (ULM) is one of the four (4) local municipalities that constitute the Harry Gwala District Municipality (HGDM). The ULM is characterised with a small urban centre as well as large agricultural, plantations, natural vegetation and traditional authority land. The main administrative centre of the municipality is the town of Ixopo; it is located approximately 85km from the City of Pietermaritzburg at the intersection of two provincial routes R56 and R612. Apart from the Ixopo Town, the settlement patterns of the ULM reflect one that is predominantly rural. The ULM has a population of about 118 346 people spread throughout the area with the majority of its population residing in the rural areas.

UBuhlebezwe, like any given municipality accommodates a hierarchy of nodes which shows the relative intensity of development anticipated for the various nodes and the dominant nature and activity of the nodes;

- Primary Node (Main Hub – Ixopo Town) - Administrative and Economic Centre
- Secondary Node (Support Centre - Highflats) - Distribution and Co-ordination point

- Tertiary Node (Smaller Centres - Mahehle, Nokweja, Jolivet, Hlokozi) - Delivery of supplementary services.

2.1.1. Beneficiary : Ixopo Town, Ward 2 and 4

2.1.2. Contracting Authority : uBuhlebezwe Local Municipality

2.2. PURPOSE OF THE PROJECT

The purpose of the project is to assist the municipality in ensuring that all municipal roads within Ixopo Town are properly registered in terms of reflecting the right information at the Office of the Surveyor General. This is also to ensure that they are registered as separate entities at the Deeds Office and zoned accordingly in terms of uBuhlebezwe Land Use Scheme, 2016. The affected land parcels vest under municipal and public sector ownership as well as private ownership, being utilised by the broad public as municipal roads which encourage Split Zoning according to uBuhlebezwe Land Use Scheme. It is for this reason that the project has been seen as a need so that the issues of overlapping different land uses / zonings and cadastral lines can be rectified through this process. The municipality have identified 23 affected properties. It however important to note that the project is for all roads located within the Ixopo Town that will be found to be under private ownership by the service provider once appointed. The purpose of the project is to provide hereunder:

- Undertake social facilitation, compilation and submission of a comprehensive town planning application and all surveying and conveyancing procedures needed to extract all municipal roads.
- Ultimately the project will need a Registered Town and Regional Planner as a Project Leader to undertake social facilitation, compilation and submission of a comprehensive town planning application and ensure compliance with conditions of approval.

Furthermore, the project team should consist of a Registered Land Surveyor and a Conveyancer to undertake all surveying and conveyancing procedures respectively

3. OBJECTIVES OF THE PROJECT

- 3.1. Undertake social facilitation to negotiate with affected property owners on behalf of the uBuhlebezwe Local Municipality regarding donation of land parcels and processes to be followed.
- 3.2. Compilation and submission of a comprehensive town planning application for approval in terms of current planning statutory legislation and Municipal developmental policies as well as to ensure compliance with all conditions of approval imposed by the ULM Municipal Planning Tribunal (MPT).

- 3.3. The service provider appointed to undertake the project will have to demonstrate sound project and programme management skills to ensure timeous and effective delivery of outcomes.
- 3.4. The service provider is to ensure that all the required surveying procedures are provided for registration at the Office of the Surveyor General and SG Diagrams are obtained accordingly on behalf of the Municipality.
- 3.5. Furthermore, the service provider is to ensure that all the required conveyancing procedures are provided for registration at the Deeds Office and Title Deeds are obtained accordingly on behalf of the Municipality.

4. SCOPE OF WORKS

The municipality would like to appoint a service provider to undertake social facilitation, compilation and submission of a comprehensive town planning application and all surveying processes and conveyancing procedures needed to extract all municipal roads **from private ownership to municipal ownership**. The service provider will undertake all project management to ensure that social facilitation, town planning, all surveying and conveyancing procedures are conducted and implemented accordingly **in line with SPLUMA**. Furthermore, the service provider will ensure compliance with all conditions of approval for the town planning application and comments and conditions imposed by relevant sector departments.

Suitably qualified service providers are invited to submit proposals with costing and must have the following expertise:

- Social facilitation – (engaging with affected property owners and acquiring land parcels / portions that needs to be formalised as municipal roads).
- Town planning (compilation and submission of a comprehensive town planning application, obtaining planning approval and ensuring compliance with all the conditions of approval);
- Land audit and survey;
- Socio economic analysis;
- Engineering service;
- Project management and quality assurance;
- Undertake surveying procedures; and

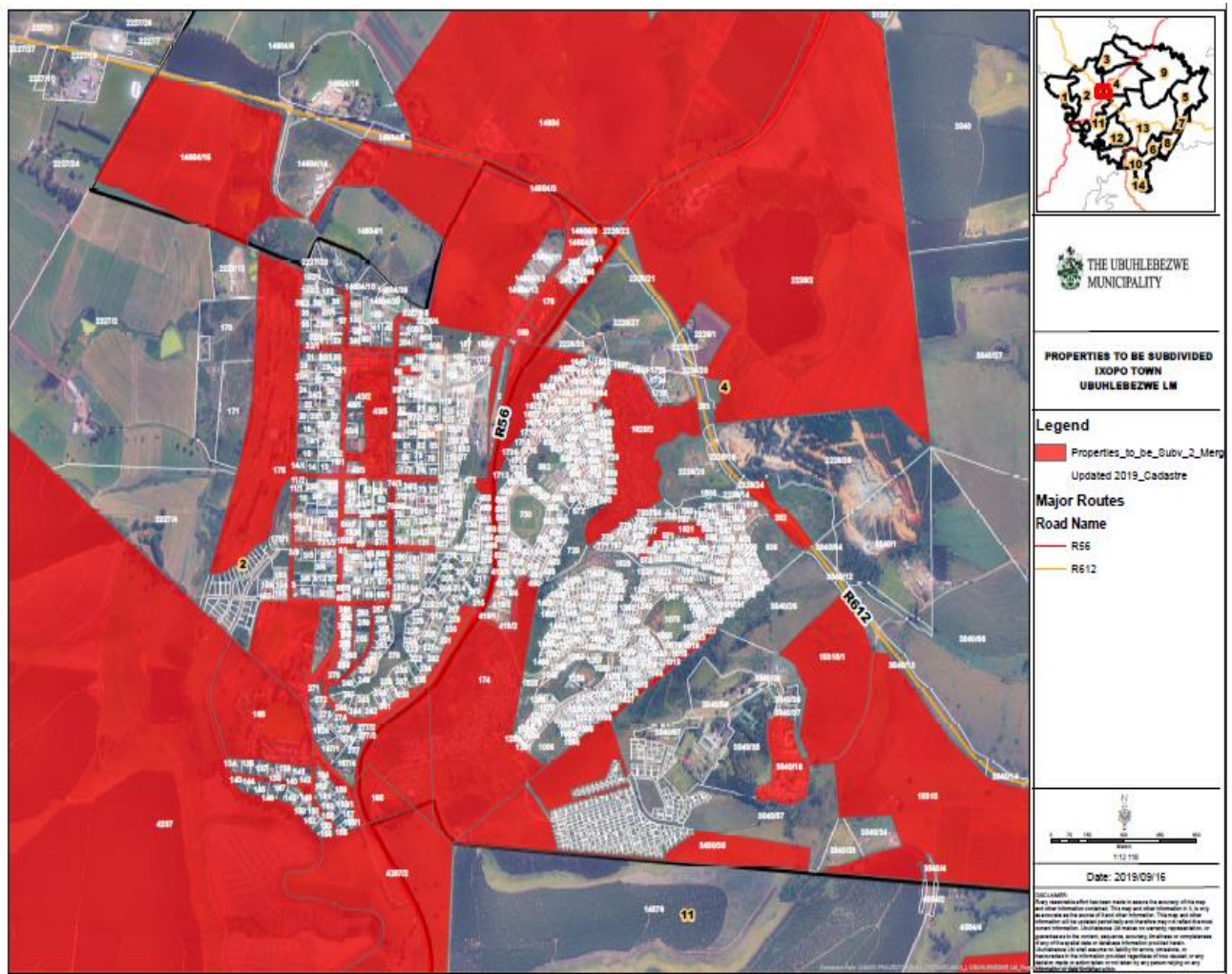
- Undertake conveyancing procedures and title deed administration (transfer of ownership to the Municipality)

Past performance, documented track record of project implementation (completion certificate) of this nature will be considered. The municipality is not obliged to accept the lowest or any other proposal.

Project Scope – Overview; *inter alia*, incorporating the following aspects:

- Social Facilitation;
- Town Planning;
- Surveying and Office of the Surveyor General registration procedures;
- Conveyancing and Deeds Office registration procedures;
- Project Management; and
- Submission of all the finalized documents to the municipality once completed
- Close out report and way forward.

The map bellow indicates some of the affected properties for the proposed project. Since it is expected that when conducting the study the service provider or the municipality may identify or discover additional roads that may require to be formalised.



5. EVALUATION CRITERIA

First stage – Functionality (Quality)

Bidders are required to demonstrate their ability to undertake the work and provide proof of experience, personnel and financial ability to undertake work of this nature.

Bidders are required to score a minimum of 60 points in order to proceed to the second stage).

Bid offers that fail to score the minimum number of points for the first stage shall be rejected. The onus rests with the bidders to supply sufficient information to allow for the proper scoring, evaluation and award of points.

Functionality points shall be awarded in accordance with the following.

CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	DURATION	WEIGHT	TOTAL
1) EXPERIENCE OF THE TEAM	Project Leader: Must be qualified in Town and Regional Planning	More than 10 years' experience	20	

	<i>A comprehensive CV to be included reflecting positions, duration and duties conducted.</i>	More than 6 – 10 years’ experience	10	20
		3 – 5 years’ experience	5	
2) REGISTRATION TO PROFESSIONAL BODIES FOR A PROJECT LEADER	Professional registration as a Town Planner		10	10
	Technical Registration as a Town Planner		5	
	Candidate Registration as a Town Planner		0	
	NB: Certified Proof of registration must be attached			
3) RELEVANT QUALIFICATION OF THE PROJECT LEADER	TERTARY QUALIFICATION OF THE PROJECT LEADER 			

	<p>approved cadastral plans at the SG Office and registration at Deeds Office.</p> <ul style="list-style-type: none">• Clear reporting mechanism with each and every phase;• Project Plan – with Time frames in term of the applicable different stages related to each phase			
	<ul style="list-style-type: none">• Project Plan – with Time frame in term of the applicable different stages.		5	
	<ul style="list-style-type: none">• All direct repetition of TOR without demonstrated core understanding.		0	
5)EXPERIENCE AND TRACK RECORD	<p>List of relevant work completed by the company with proof (completion certificates or approval) in the following elements;</p> <ul style="list-style-type: none">• Social facilitation;• Compiling comprehensive town planning applications;• Undertake surveying processes; and• Undertake conveyancing procedures			40
	5 points per signed appointment letters OR orders issued.	20	40	
	5 points per signed reference letters (Signed by MM or HOD)	20		

NOTES:

The tenderer shall submit a company profile explicitly showing the skills gained in previous projects with reachable references.

All proposals will be evaluated in terms of 80 points for Price and 20 points for preference status with maximum points at 100.

On evaluation, the tenders would be ranked in accordance with the points obtained, the tender scoring the highest points being ranked first and so on. In the event of a tie, the municipality will rank the tenderer whose company is majorly owned by HDI higher than the other one (s).

The ranking will qualify the tenderer to be considered for the award of the contract but would be expected to fulfill the last requirement. At this time, the municipality will prepare an agreement Contract, which will have to be agreed to by the successful tenderer for his signature.

The minimum functionality score to qualify for further evaluation:	60 Points
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The tender submission may also be disqualified if the team included in the tender submission is viewed to be too inexperienced or not suitably qualified for the project.

➤ **Second stage – Financial offer and Preference**

The procedure for evaluation of responsive Bid Offers will be Price and B-BBEE Status Level of Contribution. 80/ 20 preference points system will be used for this document. However, in case of two or more bids scored equal points. The rule under MBD 6.1 (3) will apply.

AWARD OF CONTRACT TO TENDERERS NOT SCORING THE HIGHEST NUMBER OF POINTS:

Despite regulation 3(5),4.(5), 5(5), 6(5) and 8(8) of the Preferential Procurement Regulations of 2001, a contract may, on reasonable and justifiable grounds, be awarded to a tenderer that did not score the highest number of points.

6. TIME FRAMES AND VALIDITY PERIOD

The Tender Validity Period will be 90 days. The contract between the Municipality and the successful bidder will be from the period 2020/2021 financial year. The successful bidder shall ensure and complete the projects within the time frames which will be required to be included in the proposal, failing which, the reasons for failing to meet time frames will be evaluated and the outcome of the evaluation may lead to either of the following decisions by the Municipality:

- Extension of Contract Period, or

- Termination of Contract

The Bidder is required to provide as part of his proposal the Implementation Plan / Programme illustrating time frames allocated to each outlined implementation item. The dates may not be specific as yet but may be expressed in days, weeks or months duration. The Implementation plan shall be based on the specified timeframe with the set Terms of reference. It should be noted that the Municipality urgently wants this project completed in order to ensure that selling of sites take place in the 2020/21.

The contract between Ubuhlebezwe Municipality and the successful bidder shall officially commence from the date of signing the Service Level Agreement relating to the appointment of Service Providers which will be signed between the service provider and the Municipality.

7. REPORTING

The service provider will report to the official appointed by the Acting Director: Infrastructure Planning and Development (IPD) and the internal staff. All work shall be done in line with the standard set by the respective professional bodies as well as the Municipality.

The uBuhlebezwe Local Municipality will also require the appointed Service Provider to attend progress meetings on a monthly basis, which shall also be deemed to be part of the normal scope of the work. In other words, the following shall apply;

- The appointed service provider must submit to the Municipality an inception report to ensure mutual understanding of the plan of action and timeframe for conducting the project.
- The appointed service provider must also submit to the Municipality monthly progress reports on performed activities for the PROJECT, which must include both financial and non-financial reporting requirements.

8. PROFESSIONAL STAFF / PERSONNEL

The Project Manager must be a registered architect by profession and must bring through all relevant professional expertise that have experience ranging from social facilitation, town and regional planning, understanding surveying processes related to this type of development and conveyancing procedures amongst other things.

The Curriculum Vitae (CV) as well as Roles and Responsibilities of all the team members who will be working with the Municipality during the contract period must be provided as part of the proposal. You are reminded that a suitably experienced and qualified person, registered with their relevant professional bodies must accept professional responsibility for the project. This person will also be required to sign all documentation in relation to the contract except if otherwise agreed with the Municipality. The municipality reserves the right not to award tender if it is not totally satisfied that staff is sufficiently competent and available to execute the duties on behalf of the Municipality. The staff provided in the proposal will influence the appointment of the bidder; as such it is a contractual obligation that the exact same team members are involved during execution except if otherwise agreed with the Municipality.

RELEVANT SKILLS AND EXPERIENCE

Proposals from suitable and qualified service providers with the following expertise:

- Social facilitation;
- Town Planning;
- Surveying;
- Project management and quality assurance; and
- Conveyancing

All the required professional teams should be involved from the beginning of the projects.

The selected team members shall stay the same for the duration of the project and cannot be changed without prior discussions with and approval from the Project Steering Committee.

9. FEATURES REQUIRING SPECIAL ATTENTION

9.1. PROJECT STEERING COMMITTEE

Efficient and effective communication channels are to be established between the municipality and the service provider. A Project Steering Committee should be established, including the Terms of References for this project. It will comprise relevant business units of the Ubuhlebezwe Local Municipality and the appointed service provider. It will be chaired by the Ubuhlebezwe Local Municipality appointed representative on this project.

10. TERMS AND CONDITIONS OF THE PROPOSAL

10.1. OWNERSHIP OF DOCUMENTS AND COPYRIGHTS

All outputs prepared by the service provider in connection with the services to be rendered shall become the property of uBuhlebezwe Local Municipality upon the submission to and payment by the Municipality, who shall have full copyright therein. In the event of termination of this appointment the Municipality reserves the right to use all or any of the documentation for completion of the project.

10.2. NON-APPOINTMENT

The uBuhlebezwe Local Municipality reserves the right not to make an appointment should it find that bidding parties do not meet the specified criteria.

10.3. COMPLETION

Projects will not be taken over by the Employer or paid for unless the applicable copies, approved plans, reports and documentation have been correctly completed and submitted to the Employer.

10.4. COURTESY

In dealings with the municipal internal structures, the Professional Service Provider is required to deal with discussions and disputes with deliberate courtesy and understanding, in close liaison with the Employer.

1.1. *Compulsory Terms and Conditions*

The service provider must comply with all legislative and government policies and be registered with related professional bodies. Previous and documented track records of previous projects of this nature will be considered (completion certificate).

The proposal must include the name of the company, qualification and the expertise of the appointed person who will control the overall project (Project Leader) on behalf of the organisation/consortium. A Joint Venture Agreement must be attached in cases where the Bidder is a Joint Venture (JV). Proof of registration with Professional Bodies as well as a valid tax clearance certificate even for each of the partners in a JV must be supplied to validate the service provider's capability in:

1. Social Facilitation;
2. Town Planning;
3. All Surveying and Office of the Surveyor General registration procedures; and
4. All Conveyancing and Deeds Office registration procedures

10.5. GENERAL

- Awarding of the tender will be subject to the Service Provider's express acceptance of the uBuhlebezwe Local Municipality Supply Chain Management general contract conditions.
- The Service Provider will sign a Service Level Agreement (SLA) with uBuhlebezwe Local Municipality upon appointment.
- Staffing requirements will be confirmed during project initiation and shall remain unchanged for the duration of the project, unless prior written consent has been granted by the Project Steering Committee.

- All secretarial services such as arranging meetings and setting of agendas shall be the responsibility of the Municipality. However, taking of minutes shall be the responsibility of the Service Provider.
- No material or information derived from the provision of the services under the contract may be used for any other purposes except for those of the Ubuhlebezwe Local Municipality except where duly authorized to do so in writing by the Ubuhlebezwe Local Municipality.
- The successful Service Provider agrees to keep all records and information of or related to the project confidential and not disclose such records or information to any third party without the prior written consent of uBuhlebezwe Local Municipality.
- **UBuhlebezwe Local Municipality reserves the right to terminate the contract in the event that there is clear evidence of non-performance and noncompliance with the contract.**

The budget should be in keeping with the applicable phases of the project and the service provider is at liberty to suggest how the phases of the project should unfold. This will then be finalised and agreed by all stakeholders. *All costs such as travel accommodation and disbursements* should be consolidated into *single project budget estimate for the Project*. The Steering Committee will assume that all expenditure relating to the project is anticipated by the Service Provider and is consolidated into the budget estimates for each phase. Only the consolidated and clearly allocated budget for each phase should be shown in the proposal submitted to uBuhlebezwe Local Municipality.

10) ACCEPTANCE AND OFFER:

Tender offers will only be accepted on condition that:

- The tender offer is signed by a person authorized to sign on behalf of the Tenderer
- A Tenderer who submitted tenders as joint venture has included an acceptable Joint Venture Agreement with his tender.
- The Tenderer or any of its principals, directors or managers is not employed by the state or any municipality.
- A valid tax clearance certificate is included with this tender or tax compliance status with the pin.
- The Tenderer or any of its principles is not listed on the register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with public sector.
- The tenderer has not abused the Employers' Supply Chain Management System or has failed to perform on any previous contract and has been given a written notice to this effect; and
- The Employer is satisfied that the Tenderer or any of his principles has not influenced the tender offer and acceptance by the following criteria:
 - Having offered, or promised or given a bribe or other gift remuneration to any person in connection with the obtaining or execution of this Contract.
 - Having acted in fraudulent or corrupt manner in obtaining or executing of this contract.
 - Having approached an officer or employee of the Employer or the Employers' Agent

- with the objective of influencing the award of a Contract in the Tenders' favour
- Having entered into any agreement or arrangement, whether legally binding or not, with any other person, firm or company to refrain from Tendering for this Contract or as to the amount of the Tender to be submitted by either party; and
- Having disclosed to any other person, firm or company other than the Employer, the exact or approximate amount of his proposed Tender.

In the event of any of the above, the Municipality may, in addition to using any other legal remedies, repudiate the Tender offer and acceptance and declare the Contract invalid should it have been concluded already.

h) The Ubuhlebezwe Municipal Supply Chain Management Policy shall apply;

FAILURE TO COMPLY WITH THE ABOVE CONDITIONS IN ALL RESPECTS WILL RESULT IN THE TENDER BEING DEEMED NON-RESPONSIVE

13) LIST OF RETURNABLE DOCUMENTS

- Quotation/ proposal must be on a company letterhead.
- Tax compliance status with verification pin.
- Proof of company registration
- Valid BBBEE certificate- **BBBEE Certificate bearing a SANAS LOGO or an auditor's or accountant's practise number (if your certificate does not have these, it will be regarded as invalid) or a sworn affidavit**
- Proof of municipal accounts not older than 2 months or a lease agreement with a letter from the landlord stating that rent paid is up to date and includes municipal accounts or an affidavit stating that the business is operating in an area where rates are not paid.
- Proof of registration with Central Supplier Database
- Bids submitted are to hold good for a period of 90 (ninety) days and must be inclusive of VAT,
- This Bid will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 4, MBD 6.1 , MBD 8 & MBD 9 must be scrutinized, completed and submitted together with your Bid.
- **NB: No Bid will be considered from persons in the service of the state.**
- The council does not bind itself to accept the lowest or any Bid and reserves the right to accept the Bid as whole or in part, at the rates quoted
- Failure to comply with the above-mentioned conditions may invalidate your offer.
If the price offered by tenderer is not market related, the municipality may not award the contract to that tenderer and may negotiate for market related price with the tenderer, failing which negotiate with the next highest scoring tenderer or the tender may be cancelled.

Failure to comply with these requirements or to supply the necessary information **WILL** result in the bid being rejected

DOCUMENTATION

The proposal document submitted must include all the information deemed necessary to evaluate your submission on the bases stipulated in this document. **The additional forms appended to this document must also be included in the submission.**

This document may be detached and re-bound to ensure neatness and to also avoid the risk of accidentally losing of loose sheets. In the process of doing that, please be careful not to lose any of the pages of this document because should that be the case, your proposal may be regarded as incomplete

CERTIFICATE OF AUTHORITY

Indicate the status of the Tenderer by ticking the appropriate box hereunder. The Tenderer must complete the certificate set out below for the relevant category.

(I) COMPANY	(II) CLOSE CORPORATION	(III) PARTNERSHIP	(IV) JOINT VENTURE	(V) SOLE PROPRIETOR

(I) CERTIFICATE FOR COMPANY

I,, chairperson of the Board of Directors of
....., hereby confirm that by resolution of the Board
(copy attached) taken on 20.....,

Mr./Ms, acting in the capacity of
....., was authorised to sign all documents in
connection with this tender and any contract resulting from it on behalf of the company.

Chairman:

As Witnesses: 1.....

2.....

Date:

(II) CERTIFICATE FOR CLOSE CORPORATION

We, the undersigned, being the key members in the business trading as
..... hereby authorise Mr./Ms,
acting in the capacity of, to sign all
documents in connection with the tender for Contract No and
any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Note : *This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.*

(III) CERTIFICATE FOR PARTNERSHIP

We, the undersigned, being the key partners in the business trading as,

.....

hereby authorise Mr./Ms

acting in the capacity of, to sign all documents in connection with the tender for Contract No and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Note : This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.

(IV) CERTIFICATE FOR JOINT VENTURE

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize Mr./Ms

....., authorized signatory of the company,
.....

.....acting in the capacity of lead partner, to sign all documents in connection with the

tender offer for Contract Noand any contract resulting from it on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	AUTHORISING SIGNATURE, NAME AND CAPACITY
Lead partner		

Note : This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.

(V) CERTIFICATE FOR SOLE PROPRIETOR

I,, hereby confirm that I am the sole owner of the business trading as
.....

Signature of Sole owner:

As Witnesses:

1.....

2.

Date:

COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1. Name of enterprise: _____

Section 2. VAT registration number, if any: _____

Section 3. CIDB registration number, if any: _____

Section 4. Particulars of sole proprietors and partners in partnerships.

Name*	Identity number*	Personal income tax number*

** Complete only if sole proprietor or partnership and attach separate page if more than three partners.*

Section 5. Particulars of companies and close corporations

Company registration number: _____

Close corporation number: _____

Tax reference number: _____

Section 6. Record in the service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

<ul style="list-style-type: none"> • a member of any municipal council • a member of any provincial legislature • a member of the National Assembly or the National Council of Provinces • a member of the board of directors of any municipal entity • an official of any municipality or 	<ul style="list-style-type: none"> • an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) • a member of an accounting authority of any national or provincial public entity • an employee of Parliament or a provincial legislature
---	--

municipal entity	
------------------	--

If any of the above boxes are marked, disclose the following*:

Name of spouse, child or parent	Name of institution, public offices, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

* Insert separate page if necessary.

Section 7. Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

<ul style="list-style-type: none"> • a member of any municipal council • a member of any provincial legislature • a member of the National Assembly or the National Council of Provinces • a member of the board of directors of any municipal entity • an official of any municipality or municipal entity 	<ul style="list-style-type: none"> • an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) • a member of an accounting authority of any national or provincial public entity • an employee of Parliament or a provincial legislature
--	--

If any of the above boxes are marked, disclose the following*:

Name of spouse, child or parent	Name of institution, public offices, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

* Insert separate page if necessary.

The undersigned, who warrants that he/she is dully authorised to do so on behalf of the enterprise:

- i. authorises the Employer to obtain a tax clearance certificate from the South African Revenue Services that my/our tax matters are in order;
- ii. confirms that neither the name of the enterprise or the name of any partner, manager, director or other persons, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- iii. confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise, has within the last five years been convicted of fraud or corruption;
- iv. confirms that I/we am/are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- v. confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed: _____ Date: _____

Name: _____

Position: _____

Enterprise name: _____

C: RECORD OF ADDENDUM TO TENDER DOCUMENTS

I / We confirm that the following communications received from the Employer or his representative before the date of submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

ADD. No	DATE	TITLE OR DETAILS
1		
2		
3		
4		
5		

SIGNATURE: DATE

(of person authorised to sign on behalf of the Tenderer)

RETURNABLE DOCUMENTS

PROOF OF REGISTRATION ON CSD

PROOF OF MUNICIPAL ACCOUNT, NOT OLDER THAN 2 MONTHS

BBBEE CERTIFICATE/ SWORN AFFIDAVIT

PROOF OF COMPANY REGISTRATION DOCUMENTS

VALID TAX CLEARANCE CERTIFICATE WITH VERIFICATION PIN

DETAILED PRICE QUOTATION
(FAILURE TO ATTACH A DETAILED PRICE
QUOTATION WILL RENDER YOUR
TENDER NON-RESPONSIVE)

MBD FORMS

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
- Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity Numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.....

.....

¹MSCM Regulations: "in the service of the state" means to be –

- a member of –
 - any municipal council;
 - any provincial legislature; or
 - the national Assembly or the national Council of provinces;
- a member of the board of directors of any municipal entity;
- an official of any municipality or municipal entity;
- an employee of 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);
- a member of the accounting authority of any national or provincial public entity; or
- an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state for the past twelve months? ... **YES / NO**

3.9.1 If yes furnish particulars

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....

.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....

.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....

.....

- 4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity Name of Bidder

.....

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

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

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

- **GENERAL CONDITIONS**

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

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

a) The value of this bid is estimated to ~~exceed/not exceed~~ R50 000 000 (all applicable taxes included) and therefore the80/20..... preference point system shall be applicable; or

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

- Points for this bid shall be awarded for:

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

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

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

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

- **DEFINITIONS**

- a. **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- b. **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- c. **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- d. **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- e. **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- f. **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- g. **“prices”** includes all applicable taxes less all unconditional discounts;
- h. **“proof of B-BBEE status level of contributor”** means:
 - B-BBEE Status level certificate issued by an authorized body or person;
 - A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - Any other requirement prescribed in terms of the B-BBEE Act;
- a. **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- a. **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

- **POINTS AWARDED FOR PRICE**

- **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

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

or

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

- **POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

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

- **BID DECLARATION**

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

- **B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

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

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

- **SUB-CONTRACTING**

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

(*Tick applicable box*)

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

- If yes, indicate:

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

(*Tick applicable box*)

YES		NO	
-----	--	----	--

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

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

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

- Name of
company/firm:.....

- VAT registration number:.....

- Company registration number:.....

- TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[Tick applicable box]

- DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

- COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

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

[Tick applicable box]

- MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

- Total number of years the company/firm has been in business:.....
- 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 contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:
 - The information furnished is true and correct;
 - The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
 - In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
 - If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - disqualify the person from the bidding process;
 - recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - 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;
 - recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - forward the matter for criminal prosecution.

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

DATE:

ADDRESS

.....

.....

WITNESSES

.....

.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

This Municipal Bidding Document must form part of all bids invited.

It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

The bid of any bidder may be rejected if that bidder, or any of its directors have:

- abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- been convicted for fraud or corruption during the past five years;
- willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes	No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes	No
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes	No
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes	No
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM 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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

- I have read and I understand the contents of this Certificate;
- I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
- I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
- Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
- For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

- The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
- In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - prices;
 - geographical area where product or service will be rendered (market allocation)
- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit, a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
- (f) bidding with the intention not to win the bid.
- In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

General Conditions of Contract

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- 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

- **Definitions**
 1. The following terms shall be interpreted as indicated:
 - “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - “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.
 - “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - “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.
 - "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - “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.

- “Day” means calendar day.
- “Delivery” means delivery in compliance of the conditions of the contract or order.
- “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- “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.
- "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.
- ”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.
- “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.
- “GCC” means the General Conditions of Contract.
- “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- “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.
- “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

- “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
 - “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
 - “Project site,” where applicable, means the place indicated in bidding documents.
 - “Purchaser” means the organization purchasing the goods.
 - “Republic” means the Republic of South Africa.
 - “SCC” means the Special Conditions of Contract.
 - “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.
 - “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- **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.
- Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
 - Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- **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 [w HYPERLINK](http://www.treasury.gov.za/)
["http://www.treasury.gov.za/"](http://www.treasury.gov.za/) [ww. HYPERLINK](http://www.treasury.gov.za/)
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- **Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

- **Use of contract documents and information; inspection.**

- 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.
- 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.
- 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.
- 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.

- **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.

- **Performance security**

- 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.
- 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.
- 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 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
 - a cashier's or certified cheque
- 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.

- **Inspections, tests and analyses**

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

- **Delivery and documents**

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

- **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.

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

- **Incidental services**

- The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
 - performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 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
 - 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.
 - 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.

- **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:

 - 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
 - in the event of termination of production of the spare parts:
 - Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

- **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.

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

- **Payment**

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

 - 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.

- 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.
 - Payment will be made in Rand unless otherwise stipulated in SCC.
- **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.
- **Contract amendments**
 - No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- **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.
- **Subcontracts** 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- **Delays in the supplier's performance**
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.

- 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.

- **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.

- **Termination for default**

- 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:
 - 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;
 - if the Supplier fails to perform any other obligation(s) under the contract; or
 - if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 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.
- Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

- Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
 - the name and address of the supplier and / or person restricted by the purchaser;
 - the date of commencement of the restriction
 - the period of restriction;
 - and
 - the reasons for the restriction.

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

- If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.
- **Anti-dumping and countervailing duties and rights**
 - When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

- **Force Majeure**

- 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.
- 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.

- **Termination for insolvency**

- 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.

- **Settlement of Disputes**

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.

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.

Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

Notwithstanding any reference to mediation and/or court proceedings herein,

The parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

The purchaser shall pay the supplier any monies due the supplier.

- **Limitation of liability**

- 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.

- 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.
- Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- Notwithstanding any reference to mediation and/or court proceedings herein,
 - the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - the purchaser shall pay the supplier any monies due the supplier.
- Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
 - 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
- **Governing language**
 - 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.

29.1 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.

- **Applicable law**
 - The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- **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.
- **Taxes and duties**
 - A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

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

National Industrial Participation

(NIP) Programme

34 Prohibition of Restrictive practices

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

- In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
 - If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)