



## **PROVINCE OF KWAZULU-NATAL**

### **DEPARTMENT OF PUBLIC WORKS**

**TENDER NUMBER : ZNT 08/18/19**

**DESCRIPTION OF SERVICE: THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY, INSTALL, MONITOR AND MAINTAIN A SATELLITE TRACKING SYSTEM ON DEPARTMENTAL FLEET**

DEPARTMENT OF PUBLIC WORKS  
Private Bag X9041  
Pietermaritzburg  
3201

Project Leader: Mrs. Fanisile Dlamini

Telephone: 033 260 4115

***PLEASE NOTE THAT THIS QUOTATION IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT PRESCRIBED BY PROVINCIAL TREASURY.***

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## SECTION A INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KZN – DEPARTMENT OF PUBLIC WORKS**

**BID NUMBER: ZNT 08 /18/19**

**CLOSING DATE: 08/03 2019**

**CLOSING TIME: 11:00**

**DESCRIPTION: THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY, INSTALL MONITOR AND MAINTAIN A SATELLITE TRACKING SYSTEM ON DEPARTMENTAL FLEET.**

BID DOCUMENTS MAY BE POSTED TO  
KZN DEPARTMENT OF PUBLIC WORKS, OR TAMBO HOUSE  
PRIVATE BAG X 9041  
PIERTERMARITZBURG  
3201

OR

DEPOSITED IN THE BID BOX SITUATED AT  
KZN DEPARTMENT OF PUBLIC WORKS, OR TAMBO HOUSE  
191 PRINCE ALFRED STREET  
PIERTERMARITZBURG  
3201

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**THE FOLLOWING PARTICULARS MUST BE FURNISHED  
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER	.....
POSTAL ADDRESS	.....
STREET ADDRESS	.....
TELEPHONE NUMBER	CODE.....NUMBER.....
CELLPHONE NUMBER	.....
FACSIMILE NUMBER	CODE ..... . NUMBER.....
E-MAIL ADDRESS	.....
VAT REGISTRATION NUMBER	.....

CENTRAL SUPPLIERS DATABASE NUMBER .....

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS);

OR.....☐

A REGISTERED AUDITOR .....☐

[TICK APPLICABLE BOX]

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

ARE YOU THE ACCREDITED REPRESENTATIVE

IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE .....

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

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED .....

---

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

**Department:** KZN - Department of Public Works

**Contact Person:** Mrs Nonjabulo Ndlovu

**Tel:** 033 355 5516

**Fax:** 033 260 3797

**E-mail address:** Nonjabulo.ndlovu@kznworks.gov.za

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

**Contact Person:** Mrs F M Dlamini and Mrs T V Msomi

**Tel:** 033 260 4115 and 033 260 4113

**Fax:**

**E-mail address:** Fanisile.Dlamini@kznworks.gov.za  
Thandeka.Msomi@kznworks.gov.za

## **SECTION B**

### **SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF FORMS**

PLEASE NOTE THAT THIS QUOTATION IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the quotation/bid forms be retyped or redrafted. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Quotation submitted must be complete in all respects.
5. Quotation shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the quotation documents.
6. Each quotation shall be addressed in accordance with the directives in the quotation documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the quotation number and closing date indicated on the envelope. The envelope shall not contain documents relating to any quotation other than that shown on the envelope. If this provision is not complied with, such quotations/bids may be rejected as being invalid.
7. All quotations received in sealed envelopes with the relevant quotation numbers on the envelopes are kept unopened in safe custody until the closing time of the quotation/bids. Where, however, a quotation is received open, it shall be sealed. If it is received without a quotation/bid number on the envelope, it shall be opened, the quotation number ascertained, the envelope sealed and the quotation number written on the envelope.
8. A specific box is provided for the receipt of quotations, and no quotation found in any other box or elsewhere subsequent to the closing date and time of quotation will be considered.
9. No quotation/bid sent through the post will be considered if it is received after the closing date and time stipulated in the quotation documentation, and proof of posting will not be accepted as proof of delivery.
10. No quotation submitted by telefax, telegraphic or other electronic means will be considered.
11. Quotation documents must not be included in packages containing samples. Such quotations may be rejected as being invalid.
12. Any alteration made by the bidder must be initialed.
13. Use of correcting fluid is prohibited
14. Quotation will be opened in public as soon as practicable after the closing time of quotation.
15. Where practical, prices are made public at the time of opening quotations.
16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
17. The bidder must initial each and every page of the bid document.

## **SECTION C**

### **REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE**

- 1 In terms of the Public Finance Management Act (PFMA), 1999 (Act No 1 of 1999) Section 38 (1) (a) (iii) and 51 (1) (iii) and Section 76 (4) of PFMA National Treasury developed a single platform, The Central Supplier Database (CSD) for the registration of prospective suppliers including the verification functionality of key supplier information.
- 2 Prospective suppliers will be able to self-register on the CSD website: [www.csd.gov.za](http://www.csd.gov.za)
- 3 Once the supplier information has been verified with external data sources by National Treasury a unique supplier number and security code will be allocated and communicated to the supplier. Suppliers will be required to keep their data updated regularly and should confirm at least once a year that their data is still current and updated.
- 4 Suppliers can provide their CSD supplier number and unique security code to organs of state to view their verified CSD information.

#### **CENTRAL DATA BASE NUMBER**

.....
-------

**SECTION D**  
**DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND**  
**UP TO DATE**

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorized representative) .....

....., WHO REPRESENTS (state name of bidder) .....

.....

AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER DATABASE WITH RESPECT TO THE BIDDER'S DETAILS AND REGISTRATION INFORMATION, AND THAT THE SAID INFORMATION IS CORRECT AND UP TO DATE AS ON THE DATE OF SUBMITTING THIS QUOTATION/BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A CAUSE FOR DISQUALIFICATION OF THIS QUOTATION/BID FROM THE BIDDING PROCESS, AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY BE AWARDED ON THE BASIS OF THIS BID.

.....  
**NAME OF BIDDER**

.....  
**SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE**

**DATE:** .....

## SECTION E DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative: .....
  - 2.2 Identity Number:.....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member): .....
  - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: .....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

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

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

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

- 2.7.1 If so, furnish the following particulars:

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

Name of state institution at which you or the person  
connected to the bidder is employed: .....

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

Any other particulars:



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

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

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

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

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

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

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

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

**4 DECLARATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of bidder**

**SECTION F**  
**QUOTATION OFFER**  
(To be completed by bidder)

**ZNT 08/18/19**

1. BID PRICE INCLUDING VAT: R .....
2. AMOUNT IN WORDS: .....  
.....
3. TIME FOR COMPLETION/ DELIVERY: ..... calendar months

<b>NAME OF BIDDER:</b> .....	<b>SIGNATURE</b> .....	<b>DATE:</b> .....
---------------------------------	---------------------------	-----------------------

**FOR OFFICE PURPOSES ONLY**

<b>IMPORTANT</b>
<b>Mark appropriate block with "X"</b>

- |   |     |    |
|---|-----|----|
| 1. HAVE ANY ALTERATIONS BEEN MADE?  | YES | NO |
| 2. HAS AN ALTERNATIVE BID BEEN SUBMITTED?   | YES | NO |
| 3. <b>IF APPLICABLE:</b> DID THE BIDDER ATTEND THE<br>OFFICIAL BRIEFING SESSION/ COMPULSORY SITE<br>INSPECTION? | YES | NO |

## **SECTION G**

### **SPECIFICATION AND PRICE SCHEDULE**

**1. SCOPE OF WORK:**

The Department of Public Works – Head Office hereby wishes to appoint a service provider to supply, install, monitor and maintain a satellite tracking system on Department fleet.

**2. SPECIFICATION AND PRICING:**

Bidders are required to quote for all items. If there is an item/s not quoted for, the tenderer will be disqualified. All product must comply with the minimum SANS (South African National Standard) quality standard or better.

**3. THE TRACKING SYSTEM SPECIFICATION**

**3.1 Hardware Unit / system**

The system hardware should be based on the following fundamental principles:

- Vehicle tracking using GPS (Global Positioning System) type satellite technology.
- The system must be a Web Based System with a Microsoft SQL database operating in a TCP/IP network environment.
- The system must be able to generate audit trails compliant to the Department's legal requirements and document management system so that information can be stored as and when necessary.
- The system may utilise a GPS antenna that is mounted on the inside of the vehicle to avoid tampering from external forces.
- Built in GPS-antenna and vehicle-module tamper-detection to alert of possible tampering.
- The system fitted must have a non-volatile (unpredictable) data log memory capacity as standard. Whatever system is fitted to the Department's vehicles, it must be capable of storing all log information to ensure that the system is operational at all times.
- Built-in accelerometer to monitor, record and report on driving styles such as aggressive driving, harsh braking, harsh acceleration or impact is also required.
- In order to minimise cost and maximise management interaction, the system must consider firmware that can be remotely accessed/upgraded via a GSM data call via a GPRS socket connection. At the same time the system should be capable of being upgraded to "live" data-transfer via the General Systems memory (GSM) / Global Positioning Router System (GPRS) cell phone networks. This upgrade should not require replacement of the vehicle module/ unit already in place.
- Positional information should be stored in accordance with actual driving conditions so that vehicle and driver activity in built up areas and on winding roads is accurately recorded. Sufficient vehicle on-board memory must be provided.
- The system should be able to provide second-by-second data when required, in order to detail and reconstruct the events leading up to an accident or other event. This should be automatic, without manual data capturing necessary.
- There must be an interactive vehicle/driver capability so that driver accountability is maintained even if a vehicle has multiple drivers.
- There must be an option to immobilise the vehicle so that only designated drivers are able to start the vehicle. If any particular motor manufacturer does not permit this, the system must allow for a continuous audible alert if an unidentified driver attempts to drive the vehicle. The system should also record and report on such unidentified drivers.

- The vehicle unit must support an expandable platform where firmware updates can be made without having to remove the vehicle unit. The updates if necessary should take place over the air.
- The vehicle unit must be secure, water and dust resistant and not easily tampered with.
- In case of incorrect data download, the system must easily allow for repeated retrieval of trip data.
- In-vehicle audible alert system to advise the driver that a predefined speed is being exceeded and/or harsh driving, including harsh acceleration, braking and cornering. These audible alerts should be customizable per vehicle type.
- The unit must be capable of connecting to the vehicle's CAN-Bus system in order to provide information on the engine-status and possible faults.
- The data must also be backed-up to the supplier's network in order for the Department to download information as and when necessary in a secure environment. (This Department may require information from the vehicle when it is dealing with driver abuse for internal disciplinary hearings, and when the Department requires detailed information relating to a vehicle collision to determine accountability). It is to be noted that the Department operates on a Microsoft SQL Database.
- Any information stored by the successful service provider which will be required by this Department must be able to be exported from the server of the service provider to this Department's server. It must therefore be possible to integrate information seamlessly.
- The hardware must allow a mobile app for senior management within the Department to extract information which is deemed to be critical in respect of the management of the fleet of vehicles within the Department.
- All data to be handed to DoPW at the end of the contract.

### **3.2 Software Unit**

The system software should be based on the following fundamental principles:

- 3.2.1 The system must be user-friendly and easy to use by non-technical staff.
- 3.2.2 The system fitted to the Department's vehicles must have adequate software that will monitor the various reports as required in terms of this specification.
- 3.2.3 It must be able to download reports into Microsoft Excel, Microsoft Word or Microsoft Access. Minimum system requirements is Windows 10 for desktop and laptops computers. For the purposes of information, this Department makes use of Standard Bank as the appointed Maintenance Service Provider and already extracts management reports from their system.
- 3.2.4 It must be possible for the various management reports to be e-mailed to the Department's users. The Department uses Microsoft Exchange for email. The system must allow for user defined e-mailed reports and being able to be mailed using Microsoft Exchange. It must support a web based application to allow for a multi-tier operation, with varied and specific levels of access, reporting and control across a Wide Area Network.
- 3.2.5 Software updates via the Internet should be possible, with minimum skill required to update the software.
- 3.2.6 Importing/Exporting of data and reports, and sending via e-mail should be possible. It is to be noted that the Department operates its databases on Microsoft SQL. Any information stored by the successful service provider and which will be required by this Department must be able to be exported from the Server of the service provider to this Department's Server. It must therefore be possible to integrate information seamlessly.

- 3.2.7 The system must allow for users to access the data using a suitable downloadable app on smartphone or tablet utilising Microsoft; Android, Unix or Apple operating systems.
- 3.2.8 The software/database should allow for all history of a vehicle to be accessible, i.e. Data should not be archived or removed.
- 3.2.9 The software must have a clear identification of the vehicle driver which must include the person's identity number.

### **3.3 System application**

The system application (or set-up) must be simple and intuitive and should allow the user to configure the data of their system.

- 3.3.1 The system should allow the user to add or edit vehicles as they are purchased or replaced.
- 3.3.2 The system should also be able to record each vehicle's VIN number, asset number and fleet number for ease of identification and to assist with determining vehicle replacements, life-cycle costs, etc.
- 3.3.3 Additional parameters should be configurable against each vehicle including logging frequency and other hardware specific parameters.
- 3.3.4 Vehicles should be able to be assigned to vehicle categories, allowing reports by vehicle groups such as sedans, light delivery vehicles, 4 x 4 double cab vehicles, mini-bus type vehicles, etc. For the purposes of information, this Department makes use of Standard Bank as the appointed Maintenance Service Provider and already receives management reports from their system.
- 3.3.5 The system must have an accident impact sensor to record data and the time of impact. This matter is also addressed under the Section entitled "Reports".
- 3.3.6 The system should also be able to send e-mail notifications or information via apps on a suitable smartphone or tablet to designated users allocated by the Department informing the users of pre-determined exception reports.

### **3.4 Rules and Zones**

In order to further maximise the effectiveness of risk management practices, the system must allow for the creation of rules to control the activities of each vehicle and driver. Rules that need to be enforced include the following:-

#### **3.4.1 RULES**

- 3.4.1.1 Vehicle usage after working hours.
- 3.4.1.2 No speeding.
- 3.4.1.3 Road speed limit reports, reporting speeds higher than posted road speed.
- 3.4.1.4 Restricted areas – entering a restricted area or zone.
- 3.4.1.5 No leaving a defined operational area or zone.
- 3.4.1.6 No opening the door (or any other auxiliary trigger that monitors a change such as tampering with the fuel cap of the vehicle).
- 3.4.1.7 No stopping in a zone.

### **NOTES**

- The rules should be applied to all vehicles, a vehicle categories or specific vehicle; all drivers, a driver group or specific driver and allow for various permutations of the above.
- The system user must easily be able to redefine, update or modify, and easily apply rules to either new or existing data as required.
- The system must further allow the user to set up working days and times as well as public and other holidays so that if required, certain rules can be set only for working or after-hours (so as not

to clutter the exceptions reporting). This will allow for control of both vehicles and drivers and limit vehicle abuse, as well as to allow for the verification of overtime claims as required. Working days and times must be group driven.

- Users should be captured into the system and rights given. For instance only certain users will be allowed to add vehicles and drivers, others just view reports. Rights should also allow for the access of data via local networks, and should allow for access to data according to a user's level of responsibility. The department will provide the successful service provider with an approved matrix of roles and responsibilities for capturing onto the system before go-live.

### **3.4.2 ZONING**

The system should be able to allow for the creation of "zones" or areas which will further control the activities of the vehicles. The zone creation mode must support the following:

Furthermore in order to further maximise the effectiveness of Risk Management practices, the system must allow for the creation of rules to control the activities of each vehicle and driver. Rules that need to be enforced include the following:-

- 3.4.2.1 Zones to be used in association with rules i.e. vehicle cannot leave or enter a predefined area.
- 3.4.2.2 Zones to be used in association with activity i.e. to determine stopped time in specific or strategic areas. The activity zone should differentiate between customer type zones, office type zones and personal type zones.
- 3.4.2.3 Zones must be polygons of any shape drawn onto a map.
- 3.4.2.4 Zones must have descriptions which are user determined.
- 3.4.2.5 Zones should allow the option of either being normally visible when the map is active or not visible so as not to clutter the maps where necessary.
- 3.4.2.6 There should be no limit to the number and combination of zones able to be created within the system
- 3.4.2.7 The system must allow the user to re-process all existing data against the set of rules or a specific rule that has been recently created. It must also allow selective processing for only new data or for data from a particular date. The processing should be applied to either all vehicles, particular vehicles, all drivers or particular drivers.

### **3.5 Downloading of Data To Smartphones and Tablets**

There must be an option to download the key information at a remote site in a secure, encrypted file that can then be e-mailed or otherwise transferred to the departments' head office system where they are added to the database. Data must also be able to be downloaded to a suitable smartphone or tablet operating on Microsoft, Linux, Android or IOS.

### **3.6 Audit log**

To enhance system security, all changes to set-up information must be saved to the audit log with the user's name identified. Once logged the information should not be able to be changed. If the file gets too big and the audit log needs to be erased, the first log entry in the new audit log must include the name of the user who erased the previous audit log.

### **3.7 Help (Panic Button)**

A full context sensitive help function must be included within the software. Detailed operator manuals must also be provided to the Department, and there must be access to supplier's

help-desk for additional support. Details of the external support infrastructure must be included. A remote disabling system in cases of theft and or hijacking must be included.

### **3.8 Map Functions**

- The systems maps should cover the whole of the Republic of South Africa and provide detail to street level of all possible towns and cities.
- Naturally particular detail should be included for KwaZulu-Natal.
- The option of access to multiple map formats must be included such as Virtual Earth, Google Earth, and conventional street maps. They must support the overlay of zones, positional points (including direction of travel), exceptions and stops. By placing the mouse over positional points, full detail information must be available for quick reference. Exceptions must be noted in separate colours.
- Stops must have unique markings and these should be different for stops within defined zones and stops outside of defined zones.
- The system must also be capable of easily displaying the relevant Google Street View image for any particular log point
- The system must also allow for integration with existing GIS format maps as used by councils and municipalities.
- Simultaneous viewing of multiple maps or views must be supported by the system, allowing them to be resized, tiled or cascaded.
- The maps must support zooming in and out. The zoom feature must allow any level of zoom and automatically switch to more or less detailed map sets in order to seamlessly give the user the ability to zoom to any level. The maps should support simple drag or panning permitting the user to move easily across the maps.
- The maps must be printable at any point in time (with any data, any zoom or panning state).
- A legend should be available to show the colours and styles of any information displayed on the maps (zones, points, exceptions and stops).

### **3.9 Plot logs**

The system must be able to display the trip information for any particular driver or vehicle, from any particular date to any particular date i.e. a user-defined period. The system should optionally list all of the trips applicable to the selection, showing stops to stops. The stop points should identify the customer or other such zone that the stop was in if applicable. The user can then optionally display only certain segments of the total trip within the defined period.

### **3.10 Streets**

There must be a street finder allowing the user to search for a street name and then have it automatically located on a map. This map must then be able to be printed off to allow driver instructions to be given.

### **3.11 Missing Data**

The system should flag any vehicle units which have not been downloaded for any period, and then provide a list of these units for analysis and possible action to be taken.

### **3.12 Accident Data**

The system should record so-called “accident data” which may be automatically downloaded when required. This data will display tracking information at a second-by-second resolution in the time preceding the accident. The accelerometer within the unit should recognise an “impact” and then automatically download the relevant accident data to the system, and at the



same time a notification of the accident must be sent to the relevant users or departmental management team as defined in this document.

### **3.13 Reminders**

- The system must allow for the allocation of reminders that will flag user-defined activities resulting from distance covered, time passed or individual dates or events. This will allow for the administration of such things as service intervals, lease payments or licence fees. All events must be user definable, and must be able to be allocated per vehicle as required.
- The system must allow the setting of maintenance reminders and to detect mechanical faults to enable the administration to timeously attend to faults.

## **4. Additional at Department discretion**

- Passenger seat sensors to measure number of occupants
- Monitoring of number of open doors
- Individual driver identification tags
- Mechanical performance diagnostics

### **4.1 Reports**

#### **Notes**

- The system must allow a multitude of management reports. Each report should have a unique set of parameters allowing the user to select any combination of period, vehicles, drivers, cost centres and regions. The reports should be printable or outputted to Microsoft Word, Microsoft Excel and Microsoft Access allowing further editing or graph generation so that information can be made refined as required.
- All reports should also be available in Portable Data Format (PDF).
- The system must allow for the creation of management reports in a particular layout as may be required from time to time. For instance, if a new specialised report is requested, the system should allow the supplier to easily build the report and then email this to the user. The user must then be able to easily install this into the software system.
- Where applicable, all reports must be able to be generated and sorted by either the Driver or the Vehicle. A minimum of the following reports should be included by default

### **4.2 Driver Activity**

- Activity – show the time spent by vehicle or driver travelling, idling or stopped. The information must be available separately for the defined “working” and “after” hours. Statistics showing comparisons between time spent at customer and non-customer stops, vehicle use as opposed to stop time, and speeding and exceptions must be included
- Visits – show the frequency of visits by vehicle or driver to particular user-defined zones or areas, and identifies arrival and departure time as well as the length of stop in each case.
- It is also a requirement that the system must be able to produce driver overview/error reports. This will enable the Department to identify possible bad driving behaviour and then to put into place measures to correct such behaviour thereby improving the driving behaviour of officials.

#### 4.3 Exception

Exceptions – show in summary or detail a list of exceptions by driver or by vehicle, when the violations occurred, and how the number of occurrences of each exception in a particular period. An example will be where a driver exceeds designated speed limits or instances of over revving.

#### 4.4 Risk Management

Risk Management – show a summary of statistics by vehicle or driver relating to speeding exceptions, stop lengths, excessive engine idling, after hours usage, attempted system tampering (if any) and productivity within a particular period

#### 4.5 Speed Controls

- Speed Profile – graphical or any other easily interpreted representation of the vehicle's speed within a user defined period. The system must be able to determine, for example, average speed of vehicles per trip/per day.
- The reports must be able to record the maximum speed of a vehicle during the day.

#### 4.6 Trip Logs

- Trip list – a log-book or list of trips that a driver or vehicle completed for a specific period defined from stop to stop. A defined combination of street or zone names should be displayed if the stop was within a defined zone and the arrival and departure times given.
- Additional information required includes the stopped time, the distance from the previous stop as well as the driving time from the previous stop, the average and maximum speeds achieved on that trip, any engine idling, and the vehicle's odometer reading upon arrival. Activity during and after hours must be differentiated, and violation of defined speed limits or engine idling times must be highlighted.
- The system must be able to provide the management of the Department with statistics in respect of monthly vehicle utilisation so that the Department's Management Team is able to ensure that all of its vehicles fitted with tracker devices are utilised to their fullest extent.
- Vehicle utilisation reports are also required so that the Department can identify possible over or under-utilisation of vehicles.

#### 4.7 Vehicle Details

Vehicle details – list all the vehicles and details their VIN and licence numbers and expiry dates, service intervals and frequency.

#### 4.8 Fuel Usage

Fuel usage of individual vehicles. This is required so that the Department can identify possible events of fuel theft and fuel fill.

**NB: The above list is not an exhaustive list of reports but gives an indication to bidders of the type of reports that will be required to be generated by the system recommended by bidders.**

### 5. Training, Transfer of Skills and Support

- 5.1 The bid must include costs for initial setup and implementation of the system and for subsequent training of users and staff. For the purposes of submitting a fixed price bid, service providers are to base their costs on hundred (100) hours of training for a maximum of **eighty three (83)** officials. Training to be conducted in user category i.e. management reporting functions and administration as indicated per the table below:

5.2 There must be a transfer of skills to the users of the system. With this in mind, the successful service provider implement a programme to transfer all relevant skills within a period not exceeding ninety (90) days from the date of award of the contract. The bid price must therefore factor this into account.

5.3 The training will be extended to all users of state vehicles so that they know which button to press as and when necessary, especially in cases of emergency.

## **6.Contract Period**

The duration of the contract, once awarded by the Department will be **three (3) years from the date of the letter of award of the contract** read in conjunction with the completed Standard Bid Document. The successful service provider will be required to enter into the Memorandum of Agreement for all services rendered. A copy of the Draft Memorandum of Agreement is attached at Appendix 1 of this specification.

## **7.Product Warranties**

All Hardware and software warranties must be aligned to the duration of the contract i.e. all hardware and software must carry a warranty for a period of 3 (three) years.

## **8.Validity Period**

The bid will be valid for a period of 90 days from the closing date of the bid.

## **9.Pricing**

The nature of the service is such that the Department requires the bidder to submit a firm price for the duration of the contract. Consequently, the bidder will not be permitted to submit any claims for an increase in the bid price during the period of the contract irrespective of whether or not outside influences may impact upon the bid price at a later stage. This will include rates of exchange variations.

The bid price must therefore include the following:

- Fixed bid price for **307 vehicles**, supplied, installed and delivered
- Fixed Air Time costs per unit, where applicable
- Unit cost for training and a total price to training of eighty three (83) officials
- Fixed unit cost over the duration of the contract to de-install the devices and to re-install in other vehicles identified to be fitted with the trackers over the duration of the contract.

## **NOTES:**

1. The department of public works will buy the units so that the Department owns the units which will enable the it to remove the old vehicles which have been identified for disposal and as a result of accident or any other disposal criteria to other vehicles that are still usable / roadworthy.
2. Tracking will exclude busses and trucks

**COSTS FOR CATEGORY 1: 211 VEHICLES****Category 1: All 0 to 3 years plus all LDVs**

ITEM DESCRIPTION	PRICE EXCLUDING VAT	PRICE INCLUSIVE OF VAT 15 %
1 x 211 software installation and set-up for six (6) regions :- Head Office MEC's Office EThekweni Region Midlands Region North Coast Region Southern Region		
83 x User Training Certification for six (6) regions (i. e. Head office =7, EThekweni region =18, MEC'S Office =2, Midlands region = 17, North Coast region = 24 and Southern region = 15).		
104 x Vehicle Kits and installation costs		
<b>TOTAL SET-UP AND INSTALLATION COSTS</b>		
211 vehicles x Unit Cost per Month x 60 Months		
Total monthly subscriptions		
Fixed Air Time costs per unit, where applicable		
Fixed unit cost over the duration of the contract to de-install the devices and to re-install in other vehicles identified to be fitted with the trackers over the duration of the contract.		

**CATEGORY 2: 96 VEHICLES****ALL 4 YEARS AND ABOVE**

ITEM DESCRIPTION	PRICE EXCLUDING VAT	PRICE INCLUSIVE OF VAT 15%
1 x 96 software installation and set-up for six (6) regions: Head Office MEC's Office EThekweni Region Midlands Region North Coast Region Southern Region		

96 x Vehicle Kits and installation costs		
<b>TOTAL SET-UP AND INSTALLATION COSTS</b>		
96 vehicles x Unit Cost per Month x 36 Months		
Total Monthly Subscriptions		
Fixed Air Time costs per unit, where applicable		
Fixed unit cost over the duration of the contract to de-install the devices and to re-install in other vehicles identified to be fitted with the trackers over the duration of the contract.		

**TOTAL = 307**

**NB: THE ABOVE EXCLUDE 16 TRUCKS AND 1 BUS**

**ADDITIONAL PRICING INFORMATION – COSTS TO BE FIXED FOR 3 YEAR DURATION OF THE CONTRACT**

ITEM DESCRIPTION	PRICE EXCLUDING VAT	PRICE INCLUSIVE OF VAT 15%
Satellite Trackers Kits used for Programming of Driver ID keys where applicable		
Additional Training and Support – Cost per Hour		
Additional Driver ID keys as required		
Accident Download Key, as required		
Removal of system as required		
Re-installation of system into other vehicles, as required.		
Total	R	R

**Total Bid amount to carry over page 11 (section F)**

## **SECTION H SPECIAL CONDITIONS OF CONTRACT**

### **1. DEFINITIONS**

- 1.1 “Department” means the Department of Public Works in the KwaZulu-Natal Provincial Administration.
- 1.2 “Head” means the officer appointed to the post of Head of the Department, who has signed this contract and shall include any person acting in that capacity.
- 1.3 “Contractor” means the person or persons, partnership, firm or company or close corporation, etc. whose quotation for this work has been accepted, and who has, or have, signed this Contract, and shall include his or her heirs, executors, administrators, successors, and any representative, duly appointed, with the consent in writing of the Employer.
- 1.4 “Team” means person or persons representing or acting on behalf of the Contractor in the execution of this Contract.
- 1.5 “Written instructions” means any printed, typed or written documents or letter signed by or on behalf of the Head and addressed to the Contractor for the purpose of his guidance, direction or instruction.

### **2. SCOPE OF WORK IN BRIEF**

Laptops must be supplied according to the specification and must be delivered to OR Tambo House 191 Prince Alfred Street, Pietermaritzburg Department of Public Works

### **3. CONTRACT REQUIREMENTS**

- 3.1 Bidders are to quote for all items.
- 3.2 Should bidders not quote for all items, they would be considered non-responsive.
- 3.3 The total quotation price is inclusive of the cost of the supply, installation, monitoring and maintenance of the equipment.
- 3.4 The delivery of goods should be made as stated in the issued order.

### **4 SPECIAL CONDITIONS**

- 4.1 The following pre-qualifying criteria is applicable to the evaluation of this quotation and only quotations received from entities who meet at least one of the following categories of ownership will be considered.
- 4.2 Tenderer is required to tick in the box below for which designated group they fall in.
- 4.3 Only bidders who are registered with CSD data base will be considered.
- 4.4 The price quoted must be fixed for the period of 90 days
- 4.5 The service provider must supply goods as per attached specification
- 4.6 The service provider must deliver as stated in the issued order.

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b> √	<b>QSE</b> √
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		

## 5. LANGUAGE MEDIUM

The language medium for all documentation related to the Contract shall be in English.

## 6. PAYMENT

- 6.1 Payment for services will be made monthly in accordance with the conditions determined in the Quotation price and at the particular tariffs/rates tendered and accepted. Where applicable, travelling to and from meetings and attending same will be taken as official hours actually worked.
- 6.2 Payment shall be made by the Department within thirty days after receipt of a monthly detailed invoice, based on the conditions as determined in 6.1 above. The invoice must include all cell phone, subsistence and transport claims for the same period and must be certified correct and due by the Chief Financial Officer or an authorised representative.

## 7. TERMINATION OF CONTRACT OR PART THEREOF

- 7.1 The contract will terminate at the end of the contract period without any notice, unless prior written amendment has been made between the parties to extend the contract period.
- 7.2 Should the Contractor fail to exercise his duties with reasonable diligence or fails or neglects to meet his obligations in terms of this contract, the Head may request in writing the rectification of same within fourteen days. Should the Contractor, after fourteen days and in the sole discretion of the Head, continue to fail to exercise his duties with reasonable diligence or fails or neglects to meet his obligations in terms of this contract, it will be regarded as breach of contract and the Head may terminate the Contract without further notice. Should the said failure have caused damage to the Department then the Head shall be entitled, without prejudice to any other rights, to claim such damage from the Contractor.
- 7.3 The Head reserves the right, with due consultation, to replace any employee of the Contractor or the employees in total with Departmental officials or cease some or all of the functions of the Contractor and may terminate the services and therefore terminate the appointment of the Contractor and/or an employee(s) of the Contractor before the expiry of the contract period.
- 7.4 The Contractor may, upon reasonable notice and with due consultation and agreement by the Head, terminate the Contract or terminate the appointment of the Contractor and/or an employee(s) before the expiry of the contract period or replace them with new person/s that meet the criteria set in these Conditions. Should the Head, as the final authority, not agree with such premature termination and/or replacement, it will be regarded as breach of contract and Head may terminate the Contract in total or in part.
- 7.5 Should the composition of the Team or the Contractor's company profile at senior, partner or director level be changed during this appointment, whether by death, sickness or any other reason, or if his estate sequestrated or liquidated, or if he be placed under judicial management or an administration order is issued against him by any Court, it is incumbent on the Contractor or his representative to immediately notify the Head in writing. A response shall be given by the Head in writing and until such time the Contract shall remain in force. The Head, however, reserves the right to terminate the Contract with immediate effect and to appoint any other Contractor at his sole discretion.

- 7.6 party and no part of this contract may be sub-let to any other person without the prior approval of the Head. Failure to observe this condition shall entitle the Head to terminate this Contract.
- 7.7 In the event of premature termination of the contract or part thereof by one party of the Contract then, should such premature action cause the other party undue financial loss, save for any other breach of contract, a reasonable re-imbursement shall be agreed upon and paid within thirty days after furnishing of proof of such loss.
- 7.8 In any event of termination of this Contract by any of the parties, for whatever reason, the Head will be entitled to the receipt of all documentation, papers and copies of computer disks with data and applicable software in the possession of the Contractor and related to the functions of the appointment. The Head furthermore reserves the right to use such documentation, etc., for the purposes of continuing the functions as envisaged by the Scope of the Contract in whichever way the Head deems necessary.
- 7.9 The Contractor or any of his staff or any associated person shall not divulge any information of any kind whatsoever during the validity of this Contract, or at any time thereafter to any person not officially concerned with the functions of the Department unless with prior written approval of the Head.

## **8. SETTLEMENT OF DISPUTES**

- 8.1 In case any dispute shall arise between the Department and the Contractor out of the interpretation of these Conditions, such dispute shall, unless otherwise settled between the Head and the Contractor be first referred to a special committee for mediation appointed jointly by the Head and the Contractor.
- 8.2 Should either of the parties fail to accept the results of mediation, the Head shall, at his sole discretion decide whether to refer the matter to either litigation or arbitration. Should the latter course of action be decided upon, the arbitrator shall be appointed by the Head on recommendation of the President of the South African Association of Arbitrators and approval by the MEC of Human Settlements and Public Works and the Contractor. Such approval may not be withheld without stated valid reason. The decision of the Arbitrator shall be final and binding on both parties.

## **9. PROCUREMENT PROCEDURE**

The open procedure will be used to evaluate this Quotation.

## **10. METHOD OF QUOTATION EVALUATION**

### **10.1 First Phase**

For purposes of comparison and in order to ensure a meaningful valuation, bidders must submit detailed information in substantiation of compliance to the valuation criteria mentioned. Bidders are requested to attach and additional information to the bid documentation upon submission thereof.

## **Evaluating using the Point System**

The bidder obtaining the highest number of total points will be awarded the contract.

Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

Points scored must be rounded off to the nearest 2 decimal places.

In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

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



### 10.3 SECOND PHASE OF EVALUATION

#### Points Awarded for Price

##### 10.3.1 THE 80/20 PREFERENCE POINT SYSTEM

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

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

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

##### 10.4 Points Awarded for Price

##### 10.5 POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

10.5.1 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 (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

##### 10.6 BID DECLARATION

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

##### 10.7 B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 10.3.1

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

(Points claimed in respect of paragraph 10.6.1 must be in accordance with the table reflected in paragraph 10.3.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

##### 10.8 SUB-CONTRACTING

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

(***Tick applicable box***)

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

10.8.2 If yes, indicate:

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

**(Tick applicable box)**

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

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

Designated Group: An EME or QSE which is at last 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		

## 10.9 DECLARATION WITH REGARD TO COMPANY/FIRM

10.9.1 Name of company/firm:.....

10.9.2 VAT registration number:.....

10.9.3. Company registration number:.....

10.9.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

10.9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

10.9.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

10.9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 10.3.1 and 10.5.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:



## SECTION I QUESTIONNAIRE

1. Are the prices/rates quoted firm?  
.....
2. Is the delivery period stated firm?  
.....
3. How will delivery be affected? .....
4. Is the equipment guaranteed for a minimum period of six months?  
.....
5. Are you the accredited agents in the RSA for the manufacture/supply of the goods offered by you?  
.....
6. What is the address in the RSA (preferably in the Province of KwaZulu-Natal) where a machine/goods as offered by you can be inspected under working conditions?  
.....
7. What is the approximate value of spares carried in stock in the RSA for this particular make and model of machine?  
.....
8. Where is stock held? .....
9. What facilities exist for the servicing of the machine/goods offered?  
.....
10. Where are these facilities available?  
.....
11. What are the names and addresses of the factories where the goods will be manufactured and, if required, inspected? .....
12. Is a special import permit required?  
.....

.....  
**SIGNATURE OF BIDDER**  
**(PRINT NAME)**

.....  
**DATE**

N.B.: THIS FORM IS ONLY TO BE INCLUDED AND COMPLETED WHEN APPLICABLE TO THE BID

**SECTION J**  
**OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE**

N. B.: THIS FORM IS ONLY TO BE INCLUDED AND COMPLETED WHEN APPLICABLE TO THE BID.

Site/building/institution involved: **Department of Public Works, OR Tambo House**

Bid No.: ZNT08/18/19

THIS IS TO CERTIFY THAT (NAME) .....

ON BEHALF OF .....

ATTENDED THE OFFICIAL BRIEFING ON .....(DATE)

AND IS THEREFORE FAMILIAR WITH THE CIRCUMSTANCES AND THE SCOPE OF THE SERVICE TO BE RENDERED.

.....  
**SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE**  
(PRINT NAME)

**DATE:** .....

.....  
**SIGNATURE OF DEPARTMENTAL REPRESENTATIVE**  
(PRINT NAME)

**DEPARTMENTAL STAMP :**  
(OPTIONAL)

**DATE:** .....

## SECTION K

### TAX COMPLIANCE STATUS (TCS)

- 1 Explain that the State / Province may not award a contract resulting from the invitation of quotations to a Bidder who is not properly registered and up to date with tax payments or, has not made satisfactory arrangements with SA Revenue Services concerning due tax payments.
- 2 The South African Revenue Services (SARS) has phased out the issuing of paper Tax Clearance Certificates. From 18 April 2016 SARS introduced an enhanced Tax Compliance system. The new system allows taxpayers to obtain a Tax Compliance Status (TCS) PIN, which can be utilized by authorized third parties to verify taxpayers' compliance status on line via SARS e-filing.
- 3 Bidders are required to apply via e-filing at any SARS branch office nationally. The Tax Compliance Status (TCS) requirements are also available to foreign bidders / individuals who wish to submit bids.
- 4 SARS will then furnish the bidder with a Tax Compliance Status (TCS) PIN that will be valid for a period of 1 (one) year from the date of approval.
- 5 In bids where Consortia / Joint Venture / Sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) PIN.
- 6 Application for Tax Compliance Status (TCS) PIN can be done via e-filing at any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
- 7 Tax Clearance Certificates may be printed via e-filing. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).
- 8 Tax Compliance Status is not required for services below R30 000 ITO Practice Note Number: SCM 13 of 2007.
9. Kindly either provide an original tax clearance certificate, your tax number or pin number.

#### TAX NUMBER

.....
-------

#### PIN NUMBER

.....
-------

**SECTION L**  
**AUTHORITY TO SIGN A QUOTATION**

**A. COMPANIES**

If a Bidder is a company, a certified copy of the resolution by the board of directors, personally signed by the chairperson of the board, authorizing the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is before the closing time and date of the bid.

**AUTHORITY BY BOARD OF DIRECTORS**

By resolution passed by the Board of Directors on.....20.....,  
Mr/Mrs/Miss..... (whose signature appears below) has been duly authorized  
to sign all documents in connection with this bid on behalf of

(Name of Company) .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF COMPANY:** .....  
(PRINT NAME)

**SIGNATURE OF SIGNATORY:** ..... **DATE:** .....

**WITNESSES:** 1 .....

2 .....

**B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)**

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

.....

.....

**SIGNATURE**  
(PRINT NAME)

.....

**DATE**

**C. PARTNERSHIP**

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Residential address	Signature
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

We, the undersigned partners in the business trading as.....  
hereby authorized .....to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and /or contract on behalf of

.....

**SIGNATURE**  
(PRINT NAME)

.....

**SIGNATURE**  
(PRINT NAME)

.....

**SIGNATURE**  
(PRINT NAME)

.....

**DATE**

.....

**DATE**

.....

**DATE**



**D. CLOSE CORPORATION**

In the case of a close corporation submitting a bid, a certified copy of the Founding Statement of such corporation shall be included with the bid, together with the resolution by its members authorizing a member or other official of the corporation to sign the documents on their behalf.

By resolution of members at a meeting on ..... 20..... at .....

.....Mr/Mrs/Miss....., whose  
signature appears below, has been authorized to sign all documents in connection with this bid on behalf of (Name of  
Close Corporation) .....

.....

**SIGNED ON BEHALF OF CLOSE CORPORATION:** ..... (PRINT NAME)

**IN HIS/HER CAPACITY AS** ..... **DATE:** .....

**SIGNATURE OF SIGNATORY:** .....

**WITNESSES:** 1 .....  
2 .....

**E CO-OPERATIVE**

A certified copy of the Constitution of the co-operative must be included with the bid, together with the resolution by its members authoring a member or other official of the co-operative to sign the bid documents on their behalf.

By resolution of members at a meeting on ..... 20..... at .....  
Mr/Mrs/Miss....., whose signature appears below, has been authorized to  
sign all documents in connection with this bid on behalf of (Name of co-operative)

.....

**SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:**  
(PRINT NAME)

.....

**IN HIS/HER CAPACITY AS:** .....

**DATE:** .....

**SIGNED ON BEHALF OF CO-OPERATIVE:** .....

**NAME IN BLOCK LETTERS:** .....

**WITNESSES:** 1 .....

2 .....

**F JOINT VENTURE**

If a bidder is a joint venture, a certified copy of the resolution/agreement passed/reached signed by the duly authorized representatives of the enterprises, authorizing the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the joint venture must be submitted with this bid, before the closing time and date of the bid.

**AUTHORITY TO SIGN ON BEHALF OF THE JOINT VENTURE**

By resolution/agreement passed/reached by the joint venture partners on.....20.....

Mr/Mrs/Miss.....,Mr/Mrs/Miss.....,

Mr/Mrs/Miss.....and Mr/Mrs/Miss.....

(whose signatures appear below) have been duly authorized to sign all documents in connection with this bid on behalf of:

(Name of Joint Venture) .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF (COMPANY NAME):** .....

(PRINT NAME)

**SIGNATURE:** ..... **DATE:** .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF (COMPANY NAME):** .....

(PRINT NAME)

**SIGNATURE:** ..... **DATE:** .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF (COMPANY NAME):** .....

(PRINT NAME)

**SIGNATURE:** ..... **DATE:** .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNED ON BEHALF OF (COMPANY NAME):**.....

(PRINT NAME)

**SIGNATURE:** ..... **DATE:** .....

**G. CONSORTIUM**

If a bidder is a consortium, a certified copy of the resolution/agreement passed/reached signed by the duly authorized representatives of concerned enterprises, authorizing the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the consortium must be submitted with this bid, before the closing time and date of the bid.

**AUTHORITY TO SIGN ON BEHALF OF THE CONSORTIUM**

By resolution/agreement passed/reached by the consortium on.....20...

Mr/Mrs/Miss.....

(whose signature appears below) have been duly authorized to sign all documents in connection with this bid on behalf of:

(Name of Consortium) .....

**IN HIS/HER CAPACITY AS:** .....

**SIGNATURE:** ..... **DATE :**.....

(PRINT NAME)

## SECTION M CONDITIONS OF QUOTATION

1. I/We hereby bid to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the KwaZulu-Natal Provincial Administration (hereinafter called the "Province") on the terms and conditions and be in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of and be incorporated into this bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.
2. I/we agree that:
  - (a) the offer herein shall remain binding upon me and open for acceptance by the Province during the validity period indicated and calculated from the closing time of the bid;
  - (b) this bid and its acceptance shall be subject to Treasury Regulations 16A issued in terms of the Public Finance Management Act, 1999, the KwaZulu-Natal Supply Chain Management Policy Framework, the Provincial Treasury issued Practice Notes, and the KwaZulu-Natal General Conditions of Contract, with which I/we are fully acquainted;
  - (c) if I/we withdraw my bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the Province may, without prejudice to its other rights, agree to the withdrawal of my bid or cancel the contract that may have been entered into between me and the Province. I/we will then pay to the Province any additional expenses incurred by the Province having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid. The Province shall have the right to recover such additional expenditure by set-off against monies which may be due to me under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me or on my behalf for the due fulfillment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such monies, guarantee or deposit as security for any loss the Province may sustain by reason of my default;
  - (d) if my bid is accepted, the acceptance may be communicated to me by registered post, and that the South African Post Office Limited shall be treated as delivery agent to me;
  - (e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my bid and I choose *domicilium citandi et executandi* in the Republic at (full physical address) :  
.....  
.....
3. I/we furthermore confirm that I/we have satisfied myself as to the correctness and validity of my bid: that the price(s), rate(s) and preference quoted cover all of the work/item(s) and my obligations under a resulting contract, and I accept that any mistakes regarding the price(s) and calculations will be at my risk.
4. I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me under this agreement, as the Principal(s) liable for the due fulfillment of this contract.
5. I/we agree that any action arising from this contract may in all respects be instituted against me and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me as a result of such action.
6. I/we confirm that I/we have declared all and any interest that I or any persons related to my business has with regard to this bid or any related bids by completion of the Declaration of Interest Section.

### 7. CERTIFICATION OF CORRECTNESS OF INFORMATION SUPPLIED IN THIS DOCUMENT

I/we, THE UNDERSIGNED, WHO WARRANT THAT I AM DULY AUTHORISED TO DO SO ON BEHALF OF THE BIDDER, CERTIFY THAT THE INFORMATION SUPPLIED IN TERMS OF THIS DOCUMENT IS CORRECT AND TRUE, THAT THE SIGNATORY TO THIS DOCUMENT IS DULY AUTHORISED AND ACKNOWLEDGE THAT:

- (1) The bidder will furnish documentary proof regarding any bidding issue to the satisfaction of the Province, if requested to do so.
- (2) If the information supplied is found to be incorrect and/or false then the Province, in addition to any remedies it may have, may:-

- (a) Recover from the contractor all costs, losses or damages incurred or sustained by the Province as a result of the award of the contract, and/or
- (b) Cancel the contract and claim any damages which the Province may suffer by having to make less favourable arrangements after such cancellation.

SIGNED ON THIS ..... DAY OF ..... 20 ..... AT

.....  
SIGNATURE OF BIDDER OR DULY  
AUTHORISED REPRESENTATIVE

.....  
NAME IN BLOCK LETTERS

ON BEHALF OF (BIDDER'S NAME) .....

CAPACITY OF SIGNATORY .....

NAME OF CONTACT PERSON (IN BLOCK LETTERS, PLEASE) .....

.....  
POSTAL ADDRESS .....

.....  
TELEPHONE NUMBER: .....

FAX NUMBER: .....

CELLULAR PHONE NUMBER: .....

E-MAIL ADDRESS: .....

**SECTION N**  
**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**  
 (To be completed by Bidder.)

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(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).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

### CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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



**SECTION O**  
**SCHEDULE VARIATIONS FROM GOODS OR SERVICES INFORMATION**

Should the Bidder wish to make any departure from or modification in the Special Conditions of Contract, Specifications, Schedule list of Prices/ Quantities/ Drawings or to qualify the bid in any way, he/she shall indicate the proposals clearly hereunder or alternatively make photocopies of the original quotation/bid documentation.

[illegible]

**SIGNATURE OF BIDDER:** .....

DATE: .....

## SECTION P

### CERTIFICATE OF INDEPENDENT QUOTATION DETERMINATION

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

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

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

## CERTIFICATE OF INDEPENDENT QUOTATION DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

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

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.

- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....	.....
Signature	Date
.....	.....
Position	Name of Bidder

## ANNEXURE B: GENERAL CONDITIONS OF CONTRACT

**DEFINITIONS:** The following terms shall be interpreted as indicated:

- (a) "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- (b) "Contract" means the written agreement entered into between the Province and the Contractor, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (c) "Contract price" means the price payable to the Contractor under the contract for the full and proper performance of his contractual obligations.
- (d) "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.
- (e) "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- (f) "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 recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- (g) "Day" means calendar day.
- (h) "Delivery" means delivery in compliance with the conditions of the contract or order.
- (i) "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- (j) "Delivery into consignees store or to his site" means delivery and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the Contractor bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- (k) "Dumping" occurs when a private enterprise abroad market its goods and services 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.
- (l) "Force majeure" means an event beyond the control of the Contractor and not involving the Contractor's fault or negligence and not foreseeable. Such event may include, but is not restricted to, acts of the Province in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- (m) "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.
- (n) "GCC" means the General Conditions of Contract.
- (o) "Goods" means all the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- (p) "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

Contractor 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 supplies covered by the bid will be manufactured.

- (q) "Local content" means that portion of the bidding price, which is not included in the imported content if local manufacture does take place.
- (r) "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- (s) "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- (t) "Project site" where applicable, means the place indicated in bidding documents.
- (u) "Province" means the procuring Department, incorporating the KwaZulu-Natal Provincial Legislature.
- (v) "Republic" means the Republic of South Africa.
- (w) "SCC" means the Special Conditions of Contract.
- (x) "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 Contractor covered under the contract.
- (y) "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **1. CESSION OF CONTRACTS**

- 1.1 The Contract is personal to the Contractor who shall not sub-let, assign, cede or make over the Contract or any part thereof, or any share of interest therein, to any other person without the written consent of the Province, and on such conditions as it may approve.
- 1.2 This sub-clause shall not apply to sub-contracts given to regular suppliers of the Contractor for materials and minor components relating to the goods or services supplied. The Province reserves the right to require the Contractor to submit, for noting, the names of such sub-contractors in order to ascertain their registration on the Provincial Suppliers Database and they must be legal entities.

## **2. DISCREPANCIES**

Should there appear to be any discrepancies, ambiguities or want of agreement in description, dimensions, qualities or quantities in the Contract, the Contractor shall be obliged to refer the matter to the Provinces' Representative for a decision, before proceeding to execute the Contract or part thereof in respect of which the said discrepancies, ambiguities or want of agreement appear to exist.

## **3. QUALITY AND GUARANTEE**

- 3.1 All Goods supplied shall be equal in all respects to samples, patterns or specifications where such are provided. Any changes to quality or brands will have to be approved by the Province, as this is a change to the conditions of the contract.
- 3.2 Should the Province, after the award of the Contract and/or during the manufacture of the goods specified, decide on a variation or alteration to the specification, either at the suggestion of the Contractor or otherwise, which will be to the Province's advantage, such variation or alteration shall be performed to the Province's satisfaction. Any variation in the Contract Price arising there from shall be subject to agreement between the Province and the Contractor.

- 3.3 The Contractor shall not be relieved of his obligations with respect to the sufficiency of the materials and workmanship and the quality of the Goods supplied by the reason of no objection having been taken thereto by the Province's Representative at the time the Goods were delivered.
- 3.4 The Contractor 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 Contractor 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 Contractor, that may develop under normal use of the supplied goods in the conditions prevailing in the country of the final destination.
- 3.5 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 the Special Conditions of Contract.
- 3.6 The Province shall promptly notify the Contractor in writing of any claims arising under this warranty. The Contractor shall immediately remedy the said defect free of cost to the Province. Should the Contractor delay remedial work in excess of time stipulated by the Province's representative, the Province may have such remedial work executed at the Contractor's expense. Should the Province decide that the defect is such that it cannot be remedied, the Goods may be rejected. Such rejected goods shall be held at the risk and expense of the Contractor and shall, on request of the Province, be removed by him immediately on receipt of notification of rejection. The Contractor shall be responsible for any loss the Province may sustain by reason of such action as the Province may take, in terms of this clause.
- 3.7 The risk in respect of the Goods purchased by the Province under the contract shall remain with the Contractor until such goods have been delivered to the Province.
- 3.8 The principle feature of the Goods and Work are described in the Goods or Services Information, but the Goods or Services Information does not purport to indicate every detail of construction, fabrication or arrangements of Goods and Works necessary to meet the requirements. Omission from the Goods or Services information of reference to any part or parts shall not relieve the Contractor of his responsibility for carrying out the Work as required under the Contract.
- 3.9 If any dispute arises between the Province and the Contractor in connection with the quality and guarantee of the Goods, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

#### **4. FAILURE TO COMPLY WITH CONDITIONS AND DELAYED EXECUTION**

- 4.1 If a bidder amends or withdraws his/her/their bid after the closing time but before the bidder is notified that his/her/their bid has been accepted, or when notified that his/her/their bid has been accepted, he/she/they fail/fails, within the period stipulated in the conditions of bid or such extended period as the Province may allow, to sign a contract or to provide security when requested to do so, he/she/they shall, unless the Province decides otherwise, and without prejudice to any other right which the Province may have under paragraphs 4.2 and 4.4, including the right to claim damages if a less favourable bid is accepted or less favourable arrangements are to be made, forfeit any deposit which may have been made with the bid.
- 4.2 Should the contractor fail to comply with any of the conditions of the contract, the Province shall be entitled, without prejudice to any of its other rights, to cancel the contract.
- 4.3 Upon any delay beyond the contract period in the case of a supplies contract, the Province shall, without cancelling the contract, be entitled forthwith 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 supplies delivered later at the contractor's expense and risk, or forthwith to cancel the contract and buy such supplies as may be required to complete the contract, and without prejudice to its rights, be entitled to claim damages from the contractor.

- 4.4 Upon any delay beyond the contract period in the case of a service contract, the Province shall, without prejudice to any other right and without cancelling the contract, be entitled forthwith to arrange the execution of the service not rendered in conformity with the contract or to cancel the contract, and without prejudice to its other rights, be entitled to claim damages from the contractor.
- 4.5 In the event of the Province availing itself of the remedies provided for in paragraph 4.2 -
- 4.5.1 the contractor shall bear any adverse difference in price of the said supplies services and these amounts plus any other damages which may be suffered by the Province, shall be paid by the contractor to the Province immediately on demand, or the Province may deduct such amounts from moneys (if any) otherwise payable to the contractor in respect of supplies or services rendered or to be rendered under the contract or under any other contract or any other amounts due to the contractor; or
- 4.5.2 if the Contractor fails to supply the goods or render the service within the period stipulated in the contract, the Province shall have the right, in its sole discretion, to claim any damages or loss suffered.
- 4.6 No damages shall be claimed in respect of any period of delay which the contractor can prove to be directly due to a state of war, sanctions, strikes, lockouts, damage to machinery as a result of accidents, fire, flood or tempest or act of God, which could not be foreseen or overcome by the contractor, or to any act or omission on the part of persons acting in any capacity on behalf of the Province.
- 4.7 If the delivery of the supplies or the rendering of the service is likely to be delayed or is in fact being delayed on account of any of the reasons mentioned in paragraph 4.6, full particulars of the circumstances shall be reported forthwith in writing to the Province and at the same time the contractor shall indicate the extension of the delivery period

## **5. PATENTS**

- 5.1 The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies the Province against any claims arising there from.
- 5.2 The Contractor shall indemnify the Province against all third-party claims of infringement of patent, trademark, or industrial design rights arising from the use of the goods or any part thereof by the Province.

## **6. PACKAGING, MARKING AND DELIVERY**

- 6.1 All goods shall be crated, packed or battened securely in such a manner as to prevent damage during loading, transport and off-loading. Unless otherwise specified, packing cases and packing materials are included in the Contract Price, and shall be and remain the property of the Province.
- 6.2 All goods shall be clearly marked in the manner stated in the Goods or Services Information.
- 6.3 Goods shall be delivered to the address within the Province's area of jurisdiction as set out in the Special Conditions of Contract or Goods and Services Information.
- 6.4 Goods shall be delivered on Weekdays between 08:00 and 16:00, free of all charges, only when ordered upon an official letter or form of order issued by the Province. No goods will be received on Saturdays, Sundays and public holidays. This paragraph (6.4) is applicable only when not excluded in the Special Conditions of Contract.
- 6.5 Goods delivered shall in all cases be accompanied by delivery notes in duplicate, one which will be retained by the Province. The Contractor shall be responsible for the safe delivery as to the quality, quantity and condition of the goods.



- 6.6 Delivery, unless otherwise provided for in the Special Conditions of Contract, shall be affected within seven (7) days from receipt of the order. The Contractor shall advise the Province upon receipt of an order in writing of any anticipated delays, citing reasons therefore and put forward a new anticipated delivery date. The Province may then extend the delivery date, if and as it deems fit.
- 6.7 Should the Contractor fail to supply the material within the time stated in his bid, or within the extended time allowed to him in terms of clause 6.6 hereof, the Province reserves the right (after giving the Contractor seven days notice in writing) to cancel the contract and purchase the materials elsewhere and the bidder shall refund to the Province any extra cost incurred over and above the contract price. No liability shall, however, be attached to the Contractor if delivery of materials is rendered impossible or delayed by reason of circumstances beyond the Contractor's control.
- 6.8 If the Contractor cannot produce proof satisfactory to the Province that the delay was due to circumstances beyond his control, no price increase after the due date will be recognized.
- 6.9 If at any time the Province ascertains that, due to negligence of the Contractor or for reasons beyond his control:
- 6.9.1 No work on the order has been commenced and in the opinion of the Province, there is little or no prospect of work being commenced in reasonable time;
- 6.9.2 Delivery of any materials is being or is likely to be delayed beyond the delivery date promised, and/or
- 6.9.3 There is little or no prospect of the order being completed within a reasonable time after the promised date; the Province may, by notice to the Contractor in writing, cancel as from the future date specified in such notice, the whole or any part of the order in respect of which material has not been delivered by that date without incurring any liability by reasons of such cancellation. The cases where circumstances beyond the control of the Contractor have delayed commencement or completion of the order, cancellation of the order will be effected by mutual arrangement or where this is not possible by the decision of the Province. The Contractor shall then as soon as possible after such date deliver to the Province that part of the order which has been completed, and payment is to be effected is for the part performance on a proportional basis, subject to the uncompleted part not being an integral or essential part of the contract.
- 6.10 Should a price other than an all-inclusive price be required, this shall be specified in the SCC.

## **7. CONSIGNMENT OF GOODS**

- 7.1 Goods, if delivered by Spoornet may be consigned carriage paid in the Contractor's name, care of the Province to the place of delivery stipulated, but not in the name of the State. Goods consigned to stores located in areas which Spoornet may refuse to deliver, must be done so care of a local agent or to a local depot from which they may be re-delivered by road to such stores.
- 7.2 Contractors shall arrange with Spoornet to deliver goods to the Province's stores during the hours and on the days that the stores are open.
- 7.3 The Province will not be responsible for any damage, re-delivery charges or any other charges raised by Spoornet.
- 7.4 Claims on the South African Transport Services or on any other carrier in respect of weight, quantity, damage or loss, shall be made by the Contractor.

## **8. PAYMENT**

- 8.1 The Contractor shall furnish the Province with an invoice accompanied by a copy of the delivery note upon fulfilment of other obligations stipulated in the contract.
- 8.2 Payments shall be made promptly by the Province, but in no case later than thirty days (30) days after submission of an invoice or claim by the Contractor.

- 8.3 Payments will be made in Rand unless otherwise stipulated.
- 8.4 Payments for goods are made by the Province only. Any disputes regarding late or delayed payments must be taken up with the department and if a problem persists, the Supply Chain Management Office can be requested to investigate the delays.

## **9. INVOICES**

All invoices submitted by the Contractor must be Tax Invoices indicating quantity ordered and quantity delivered, the amount of tax charged and the total invoice amount.

## **10. CONTRACT PRICE ADJUSTMENT**

- 10.1 Firm contract prices shall not be subject to adjustment. contract prices which are not firm shall be increased or reduced by the amount of variation between the Cost to Bidder and the actual cost to the Contractor, such variations to be subject to the following conditions:-
- 10.1.1 Where the Cost to Bidder was based on a printed catalogue or list price, the variation shall be the difference between that price list and the price list actually charged. Should it transpire that the Cost to Bidder was not based on the latest available price list at the Date of Bid, the Province shall have the right to elect the price list on which any variation shall be based.
- 10.1.2 Where the Cost to Bidder was based on a quotation by the manufacturer, or where the Contractor is the manufacturer, and the Contract Price was based on the cost of materials and labour ruling at a certain date, the variation in the Contract Price shall be calculated by means of the Steel and Engineering Industries Federation of South Africa (SEIFSA) formula if this is stipulated in the Contract, or if the Province's representative considers it to be appropriate. Where the use of the SEIFSA formula is not appropriate, the variation shall be calculated by means of another formula acceptable to the Province, which shall be indicated in the Special Conditions of Contract. Only those cost increases due to wage increases prescribed by regulating measures having the force of law, or increases in the cost of materials and railage as may be proven by documentary evidence, or published data, will be considered in determining Contract Price variation.
- 10.1.3 Any difference between Rates and Charges ruling at the time of bid and those actually paid by the Contractor will be for the account of the Province. The Contract Price adjustment arising from any variation in Rates and Charges shall, in every instance, be applied to the appropriate value, or tonnage, of the Goods shipped. Where a variation in the Cost to bidder has been allowed, the contract price shall be adjusted by the product of such variation and every component of Rates and Charges which is based on the value of the Goods, whether or not the costs of such components have varied.
- 10.1.4 No claim for increased costs will be entertained if the Contractor is unable to produce documentation to substantiate Cost to Bidder and Rates and Charges on which the contract price was based and documentation to support his claim. Such documentation must, in the opinion of the Province, adequately support the Contractor's claim. No claim for increased costs to the Contractor arising from negligence on his part, or that of the manufacturer, will be considered.
- 10.1.5 The Contractor shall, in respect of every consignment or shipment of Goods delivered, supply to the Province's Representative documentary evidence of variation, if any, in Cost to Bidder and Rates and Charges.
- 10.1.6 Claims for increased cost shall be submitted with the invoice for the Goods in respect of which the claim is made, or as soon thereafter as possible. Claims shall not be considered if received more than 90 days after the expiry of the Contract unless notice of intention to claim has been given to the Province before such date.
- 10.1.7 In the event of there being no claim by the Contractor for increased costs, the Contractor shall not be entitled to full payment under the Contract before he has submitted to the Province, in his own name or in the name of the manufacturer, a certificate declaring that there have been no adjustments in the cost of manufacture which entitle the Employer to a reduction in the Contract Price as provided for in this clause.

## **11. REMEDIES IN THE CASE OF DEATH, SEQUESTRATION, LIQUIDATION OR JUDICIAL MANAGEMENT**

11.1 In the event of the death of a contractor or the provisional or final sequestration of his/her/their estate or of his/her/their cession or transfer of a contract without the approval of the Province or of the surrender of his/her/their estate or of his/her/their reaching a compromise with his/her/their creditors or of the provisional or final liquidation of a contractor's company/closed corporation or the placing of its affairs under judicial management, the Province may, without prejudice to any other rights it may have, exercise any of the following options :

11.1.1. cancel the contract and accept any of the bids which were submitted originally with that of the contractor or any offer subsequently received to complete the contract. In such a case the estate of the contractor shall not be relieved of liability for any claim which has arisen or may arise against the contractor in respect of supplies not delivered or work not carried out by the contractor, under the contract.

11.1.2 Allow the executor, trustee, liquidator or judicial manager, as the case may be, for and on behalf of and at the cost and expense of the estate of the contractor to carry on with and complete the contract.

11.1.3 For and on behalf of and at the cost and expense of the estate of the contractor, itself carry on with and complete the contract and in that event, the Province may take over and utilize, without payment, the contractor's tools, plant and materials in whole or in part until the completion of the contract.

11.2 Should the Province elect to act in terms of paragraph 11.1.3 it shall give notice of its requirements to the executor, trustee, liquidator or judicial manager of the contractor's estate and should the said executor, trustee, liquidator or judicial manager fail within 14 days of the dispatch of such notice to make provision to the satisfaction of the Province for the fulfilment of such requirements, or should no trustee, liquidator or judicial manager be appointed within 14 days of the occurrence mentioned in paragraph 11.1, the Province may apply any remedy open to it in terms of the contract as if a breach thereof had taken place.

11.3 Should the Province act in terms of paragraph 11.1.3 the contractor must leave the premises immediately and may not occupy such premises on account of retention or any other right.

## **12. LAW TO APPLY**

The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa, and any difference that may arise with the law of the Republic of South Africa, and any difference that may arise between the Province and the Contractor in regard to the Contract, shall be settled in the Republic of South Africa.

## **13. OFFERING OF COMMISSION OR GRATUITY**

If the Contractor, or any person employed by him, is found to have either directly or indirectly offered, promised or given to any office bearer of the Province or person in the employ of the Province, any commission, gratuity, gift or other consideration, the Province shall have the right, summarily and without recourse to law and without prejudice to any other legal remedy which it may have in regard to any loss or additional cost or expenses, to cancel the Contract without paying any compensation to the Contractor.

## **14. PREFERENCES**

14.1 Should the Contractor apply for preferences in the submission of his bid, and it is found at a later stage that these applications were incorrect or made under false pretences, the Province may, at its own right:-

14.1.1 Recover from the Contractor all costs, losses or damages incurred or sustained by the Province as a result of the award of the Contract; and / or

14.1.2 Cancel the contract and claim any damages, which the Province may suffer by having to make less favorable arrangements after such cancellation.

14.1.3 The Province may impose penalties, however, only if provision therefore is made in the Special Conditions of Bid.

## **15. WEIGHTS AND MEASURES**

The quantities of goods offered or delivered shall be according to South African standard weights and measures.

## **16. SECURITY**

- 16.1 Special Conditions of Contract relating to Surety/Guarantee requirement must be dealt with in strict compliance with the Conditions of Bid set out herein.
- 16.2 In respect of contracts less than R 500 000, the guarantees and sureties required may be based on a risk evaluation conducted by the Province inviting the bid.
- 16.3 No deposits are required for bid applications for contracts below R 500 000.

## **17. ORDERS**

- 17.1 Goods shall be delivered and services rendered only upon receipt of a written official order or the signing of a contract with the Province, and accounts shall be rendered as indicated on the official order or in the contract, as the case may be.
- 17.2 The Province reserves the right to call upon any Contractor during the contract period to make known the following details:

17.2.1 Name of Institution placing order;

17.2.2 Provincial official order number;

17.2.3 Quantity ordered; and

17.2.4 List of items ordered.

## **18. EXPORT LICENCES**

- 18.1 When orders are placed for goods in respect of which an export licence from the country of origin of supplies is required, the Contractor shall:
  - 18.1.1 Not incur any direct or indirect costs in connection with the supply or dispatch of such supplies before he has obtained such licence;
  - 18.1.2 If the government of the country from which the supplies are to be exported refuses, or fails to grant such licence within three months of the placing of the order, the order shall be considered to be cancelled and no liability will be accepted for any loss or expenses irrespective of the nature thereof, including loss or expenditure suffered or incurred by the Contractor or any other person in respect of the production, supply, transportation or delivery of such supplies.

## **19. INSURANCE**

- 19.1 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.
- 19.2 Any insurance policies taken out by a Contractor to cover goods delivered for a contract must be taken out with a company registered in South Africa in terms of relevant insurance and companies acts.

## **20. INSPECTION, TESTS AND ANALYSES**

- 20.1 In terms of Provincial policy, inspections of a Bidder's goods and services are permitted. Bidders and Contractors must allow reasonable access to premises to officials from the department inviting the bid, or person specially appointed by the Province to carry out inspection or tests. There are two main categories: Firstly, where the bid conditions call for goods to be inspected during the contract period. Secondly, where the inspection results are to be submitted with the bid document.

- 20.2 If it is a bid condition that goods to be produced should at any stage during production or on completion be subject to inspection, the premises of the Contractor shall be open, at all reasonable hours, for inspection by a representative of the Province or of an organisation acting on its behalf.
- 20.3 Inspections tests and analyses may be carried out prior to dispatch in regard to such contract goods as may be deemed necessary by the Province, and the Contractor shall provide, if required, all the required facilities for the inspection, tests and analyses of the goods free of charge and shall, if required, provide all the materials, samples and labour and available apparatus which may be required for the purposes of such inspection, tests and analyses free of charge, unless otherwise specified.
- 20.4 If there are no inspection requirements in the bid documents and no mention thereof is made in the letter of acceptance, but during the contract it is decided that inspections shall be carried out, the Province shall itself make the necessary arrangements, including payment arrangements, with the testing authority concerned. The premises of the Bidder Contractor must be open and accessible at all reasonable times for the purposes of these tests.
- 20.5 If the inspection, tests and analyses show the goods or service to be in accordance with contract requirements, the cost of the inspection, tests and analyses shall be defrayed by the Province calling for such tests or analyses. Where the supplies or services do not comply with the contract, the costs shall be defrayed by the Contractor and the Province shall have the right, without prejudice to any other legal remedy it may have, to deduct such costs from payments due to the Contractor under the contract or under any other contract.
- 20.6 Goods and services which do not comply with the contract requirements may be rejected.
- 20.7 Any goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract, and such rejected goods shall be held at the cost and risk of the Contractor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them for goods which do comply with the requirements of the contract, failing which such rejected goods shall be returned at the Contractor's cost and risk. Should the Contractor fail to provide the substitute goods forthwith, the Province may, without giving the Contractor a further opportunity to substitute the rejected goods, purchase such supplies as may be necessary at the expense of the Contractor, for example, the transport costs and other expenses regarding the rejected goods must be refunded by the Contractor.
- 20.8 Where imported goods are to be inspected before delivery, the Contractor shall notify his suppliers abroad of the conditions applicable to inspections.
- 20.9 Provisions contained in sub-clause 20.1 and 20.8 shall not prejudice the right of the Province to cancel the contract on account of a breach of the conditions thereof.

## **21. RESTRICTION OF BIDDING**

Without prejudice on any other legal remedies, the Province may impose restrictions on a Bidder in terms of which bids to the Province will not be accepted for such period as determined by the Province. This information may be passed to other provinces or State organizations in the Republic of South Africa. These restrictions may be imposed in terms of the breach of any of the requirements to be met in terms of the accepted bid or contract. The Province may also make a restriction on a bidder from another province or State institution applicable to this Province.

## **22. CONTRACTOR'S LIABILITY**

- 22.1 In the event of the contract being cancelled by the Province in the exercise of its rights in terms of these conditions, the Contractor shall be liable to pay to the Province any losses sustained and/ or additional costs or expenditure incurred as a result of such cancellation, and the Province shall have the right to recover such losses, damages or additional costs by means of set-off from monies due or which may become due in terms of the contract or any other contract or from guarantee provided for the due fulfillment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such monies or guarantee or any deposit as security for any loss which the Province may suffer or may have suffered.

- 22.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

## **23. PRICE LISTS**

Price lists which are part of the contract shall not be amended without the approval of the Province, unless the SCC specify otherwise.

## **24. SUBMISSION OF CLAIMS**

- 24.1 Claims must be submitted within 90 days of the delivery date of items, but the delivery date will be calculated according to the delivery period stipulated in terms of the contract, unless an extension for late delivery has been granted by the Province.
- 24.2 For period contracts, no price increase will be granted within the first 180 days of the contract period. No price increase applications which are submitted later than 90 days after the contract period expired will be considered. The claims shall be accompanied by documentary proof and, if required, an auditor's report sustaining the claim shall be provided.
- 24.3 Claims referring to formulae and indices must be clearly set out in terms of indices or formulae values used to calculate the bid price, and the adjusted indices or values.

## **25. PROVINCIAL PROPERTY IN POSSESSION OF A CONTRACTOR**

- 25.1 Province's property supplied to a Contractor for the execution of a contract remains the property of the Province and shall at all times be available for inspection by the Province or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to the Province forthwith.
- 25.2 The Contractor shall be responsible at all times for any loss or damages to the Province's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as the Province may require.

## **26. RIGHTS TO PROCURE OUTSIDE THE CONTRACT**

- 26.1 The Province reserves the right to procure goods outside the contract in cases of urgency or emergency or if the quantities are too small to justify delivery costs, or if the goods are obtainable from another organ of Province or if the Contractor's point of supply is not situated at or near the place where the goods are required or if the Contractor's goods are not readily available.
- 26.2 No provision in a contract shall be deemed to prohibit the obtaining of goods or services from a Province or local authority.

## **27. AMENDMENT OF CONTRACT**

No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing.

## **28. NOTICES**

- 28.1 Every written acceptance of a bid shall be posted to the supplier/bidder concerned by registered or certified mail and any other notice to him/her/it shall be posted by ordinary mail to the address furnished

in his bid or to the address notified later by him/her/it in writing and such posting shall be deemed to be proper service of such notice.

- 28.2 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 such notice.

## **29. INCIDENTAL SERVICES**

- 29.1 The Contractor may be required to provide any or all of the following services, including additional services, if any, specified in the Special Conditions of Bid:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the Contractor of any warranty obligations under this contract; and
  - (e) training of the Province's personnel, at the Contractor's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 29.2 Prices charged by the Contractor 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 Contractor for similar services.

## **30. USE OF CONTRACT DOCUMENTS AND INFORMATION INSPECTION**

- 30.1 The Contractor shall not, without the Province'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 Province in connection therewith, to any person other than a person employed by the Contractor 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.
- 30.2 The Contractor shall not, without the Province's prior written consent, make use of any document or information mentioned in GCC clause 30.1 except for purposes of performing the contract.
- 30.3 Any document, other than the contract itself mentioned in GCC clause 30.1 shall remain the property of the Province and shall be returned (all copies) to the Province on completion of the Contractor's performance under the contract or as required by the Province.
- 30.4 The Contractor shall permit the Province to inspect the Contractor's records relating to the performance of the Contractor and to have them audited by auditors appointed by the Province, if so required by the Province.

## **31. SPARE PARTS**

- 31.1 If specified in SCC, the Contractor may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Contractor:
- (a) such spare parts as the Province may elect to purchase from the Contractor, provided that this election shall not relieve the Contractor of any warranty obligations under the contract.
  - (b) In the event of termination of production of the spare parts:
    - (i) Advance notification to the Province of the pending termination, in sufficient time to permit the Province to procure needed requirements; and
    - (ii) Following such termination, furnishing at no cost to the Province, the blueprints, drawings, and specifications of the spare parts, if requested.

## **32. PENALTIES**

- 32.1 Subject to GCC Clause 4, if the Contractor fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Province 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 delayed goods or unperformed services, using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The Province may also consider termination of the contract in terms of the GCC.

## **33. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS**

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

## **34. GOVERNING LANGUAGE**

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.

## **35. TAXES AND DUTIES**

- 35.1 A foreign Contractor shall be entirely responsible for all taxes, stamp duties, licence fees, and other such levies imposed outside the Province's country.
- 35.2 A local Contractor shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Province.
- 35.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Province 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.

## **36. PROHIBITION OF RESTRICTIVE PRACTICES**

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



**SBD 6.1**  
**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT**  
**REGULATIONS 2017**  
**(i)**

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.**

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**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included)

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“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;
- (i) **“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;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

**80/20**

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

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

## 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 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 (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

## 5. BID DECLARATION

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

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

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

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

## 7. SUB-CONTRACTING

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

(*Tick applicable box*)

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

7.1.1 If yes, indicate:

vi) What percentage of the contract will be subcontracted.....%

vii) The name of the sub-contractor.....

viii) The B-BBEE status level of the sub-contractor.....

ix) Whether the sub-contractor is an EME or QSE

(*Tick applicable box*)

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

x) 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		

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

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-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:

- v) The information furnished is true and correct;
- vi) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- vii) 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;
- viii) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that of person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

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

DATE: .....

ADDRESS: .....

.....

.....

## DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

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

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

### 2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Description of services, works or goods

Stipulated minimum threshold

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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- 3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

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

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

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

**IN RESPECT OF BID NO. ....**

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

.....

NB

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

- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thdti.gov.za/industrial\\_development/ip.jsp](http://www.thdti.gov.za/industrial_development/ip.jsp). Bidders should first complete

Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

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

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

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

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

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

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