



**PROVINCIAL ADMINISTRATION OF KWAZULU-NATAL**  
**KZN DEPARTMENT OF PUBLIC WORKS**

**REFERENCE NO : ZNT 2/19/20**

**SERVICE : REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF  
SUITABLY QUALIFIED PROFESSIONALS/CONSORTIUM OF  
PROFESSIONALS OR COMPANY TO IMPLEMENT THE KZNDPW  
INFRASTRUCTURE DELIVERY MANAGEMENT SYSTEM (IDMS)  
AND NEW MANAGEMENT MODEL (NMM) & SERVICE DELIVERY  
IMPROVEMENT PLAN (SDIP)**

**NAME OF TENDERER: .....**  
**.....**

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**SECTION A**  
**REQUEST FOR PROPOSAL**

**REFERENCE NO : ZNT 2/19/20**

**DESCRIPTION :** Request for Proposals for the appointment of suitably qualified professionals/consortium of professionals or company to implement the KZNDPW Infrastructure Delivery Management System (IDMS) and New Management Model (NMM) & Service Delivery Improvement Plan (SDIP)

**CLOSING DATE: 29 JULY 2019**

**CLOSING TIME: 11H00am**

**COMPULSORY BRIEFING SESSION:**

Date : 09 July 2019

Time : 10:00

Venue : Auditorium, 191 Prince Alfred Street – Oliver Tambo House in Pietermaritzburg

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PROPOSAL DOCUMENTS MAY BE POSTED TO  
KZN DEPARTMENT OF PUBLIC WORKS, HEAD OFFICE  
PRIVATE BAG X 9041  
PIERTERMARITZBURG  
3200  
OR  
DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)  
KZN DEPARTMENT OF PUBLIC WORKS, HEAD OFFICE  
191 PRINCE ALFRED STREET  
PIERTERMARITZBURG  
3200

Service providers should ensure that proposals 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 PROPOSALS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS PROPOSAL IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**A. THE FOLLOWING PARTICULARS MUST BE FURNISHED**  
**B. (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 .....

E-MAIL ADDRESS .....

VAT REGISTRATION NUMBER.....

SIGNATURE OF BIDDER .....

DATE.....

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

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

**Contact Person:** SCM Equerries

**Tel:** 033-355 5559

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

**Contact Person:** Mr Skhumbuzo Shabangu

**Tel:** 033 - 260 3711

E-mail address: skhumbuzo.shabangu@kznworks.gov.za

## **SECTION B**

### **NOTES AND SPECIAL INSTRUCTIONS TO SERVICE PROVIDERS**

1. PLEASE NOTE THAT THIS PROPOSAL 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 proposal be retyped or redrafted. Photocopies of the 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. Proposals submitted must be complete in all respects.
5. Proposals 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 bid documents.
6. Each proposal shall be addressed in accordance with the directives in the proposal document and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid 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 proposals may be rejected as being invalid.
7. All proposals received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the proposals. Where, however, a proposal is received open, it shall be sealed. If it is received without a proposal number on the envelope, it shall be opened, the proposal number ascertained, the envelope sealed and the proposal number written on the envelope.
8. A specific box is provided for the receipt of proposals, and no proposals found in any other box or elsewhere subsequent to the closing date and time of proposal will be considered.
9. No proposals sent through the post will be considered if it is received after the closing date and time stipulated in the proposals documentation, and proof of posting will not be accepted as proof of delivery.
10. No proposals submitted by telefax, telegraphic or other electronic means will be considered.
11. Proposal documents must not be included in packages containing samples. Such proposals may be rejected as being invalid.
12. Any alteration made by the bidder must be initialed.
13. Use of correcting fluid is prohibited
14. Proposals will be opened in public as soon as practicable after the closing time of proposal.
15. Where practical, prices are made public at the time of opening proposal.
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.

## **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.

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**CSD 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/authorised representative).....

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

.....

AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER'S 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 .....

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

2.6 Tax Reference Number: .....

2.7 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.

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:

<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.

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 Tax Number	Income Reference	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 - OFFER**

**RFP: ZNT 2/19/20**

1. TOTAL PRICE FOR THE DURATION OF THE CONTRACT INCLUDING VAT: (**SEE PAGE 30 – PRICING INSTRUCTIONS**)

R.....

2. AMOUNT IN WORDS:

.....

.....

3. TIME FOR COMPLETION/ DELIVERY: 36 calendar months

**NAME OF BIDDER:**

**SIGNATURE**

**DATE:**

.....

.....

.....

**FOR OFFICE PURPOSES ONLY**

***IMPORTANT***

**Mark appropriate block with "X"**

1. HAVE ANY ALTERATIONS BEEN MADE? YES NO

2. HAS AN ALTERNATIVE BID BEEN SUBMITTED? YES NO

3. ***IF APPLICABLE:*** DID THE BIDDER ATTEND THE OFFICIAL BRIEFING SESSION/  
COMPULSORY SITE INSPECTION? YES

NO

## **SECTION G**

### **TERMS OF REFERENCE**

#### **DEFINITIONS**

- “Department” means the Department of Public Works in the KwaZulu-Natal Provincial Administration.
- “Head” means the officer appointed to the post of Accounting Officer of the Department, who has signed this contract and shall include any person acting in that capacity.
- “Individual/Entity” means the person or persons, partnership, firm or company or close corporation, etc. whose proposal 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.
- “Written instructions” means any printed, typed or written documents or letter signed by or on behalf of the Head and addressed to the “Individual/Entity for the purpose of his guidance, direction or instruction.

#### **1. INTRODUCTION**

The end of the term of government presents the perfect opportunity to evaluate the operational approach of the Department with the intention of improving the model for greater efficiency, effectiveness and delivery.

The KwaZulu-Natal Department of Public Works (KZNDPW) is mandated, under the directive of the National Department of Public Works (NDPW) to be the custodian and portfolio manager of the KwaZulu-Natal’s provincial government’s immovable assets and to coordinate and provide strategic leadership in job creation initiatives through the implementation of the EPWP.

While the Department can show appropriate progress and proof of service, there is opportunity for innovation in all fields of operation. There are several challenges that makes it necessary to focus on specific innovative options in order to enhance the performance of the KZNDPW. The end of the current public term and start of a new one, provides the ideal opportunity to assess the department's operational strategy in order to improve the model for higher efficiency, efficiency and delivery.

#### **2. BACKGROUND**

South African citizens are surrounded by public infrastructure. Essential services are provided through schools, hospitals and clinics whilst roads and railways enable movement whilst border posts, harbours and airports establish the physical connection between neighbouring nations and the world. In addition, dams provide water for human consumption, enable agriculture and industry and supply water and electricity to customers and supply therapy works with industrial effluent, soil water and sewage.

Such infrastructure is the basis for a better life for all. Infrastructure provides improvements or efficiencies in services, production or export capabilities, and which is delivered and maintained in a manner that minimises waste of materials, time and effort in order to generate the maximum possible amount of value, is most likely to contribute to economic growth.

Considering the nature of the duties of the KZNDPW, it should be indicated that the Department, although usually regarded as being functional, it is susceptible to pressure-based weaknesses. It is essential for the Department to re-align its administrative objectives for the fresh term of office for optimum service through empowerment and operational transparency.

A customer satisfaction survey conducted in 2018 and subsequent internal reconsideration of Departmental activities led to several key challenges being identified that require attention.

Key strategic focus areas for the Department as identified are:

- The Department is losing traction as an Implementer of Choice amongst client departments.
- The Department needs to improve its service offering as the custodian of state properties through ensuring and securing suitable accommodation to the client departments, continuously maintaining states assets & public buildings and improving the standard of the condition of state assets.
- The Department must make use of emerging opportunities such as the Precinct Development, student accommodation, improvement in the preparation and packaging of projects.

These issues have been formulated to act as key pillars and informants to the redefined Departmental Strategy with the focus on the following priorities:

- Implementing fully the IDMS
- Implementing the New Management Model (NMM)
- Implementing the Service Delivery Improvement Plan (SDIP)
- Establishing a State Infrastructure Development Agency (SIDA)

### **Reclaiming the KZNDPW Mandate: THE NEW DEPARTMENTAL STRATEGY**

The key strategic thrusts identified have been synthesized into the following key pillars of the new Departmental strategy:

Institutional changes for effective service delivery and transformation	<ul style="list-style-type: none"> <li>• Implementation</li> <li>• Improve efficiency within the administration by reorganising operations</li> <li>• Ensure employment equity with a bias to women and disabled applicants</li> <li>• Enhance technical/ professional HR capacity</li> <li>• Make Radical Economic Transformation (RET) an operational culture</li> <li>• Improve the audit outcomes and institutionalize risk management</li> <li>• Integrated planning to facilitate planning, programme development, sustainable utilisation of assets and effective and efficient service delivery</li> </ul>
Reclaiming the KZNDPW mandate	<ul style="list-style-type: none"> <li>• Institutionalisation of IDMS</li> </ul>
Supply Chain Reforms	<ul style="list-style-type: none"> <li>• Empowerment of women, youth, military veterans and black African</li> <li>• To increase the capacity, equity ownership, sustainability, quality and performance of emerging contractors</li> <li>• Greater access to work opportunities</li> </ul>
Property Management	<ul style="list-style-type: none"> <li>• Improve the management of property rates with municipalities</li> <li>• Precinct development to reduce the financial burden of leasing from the private sector</li> <li>• Develop an efficient asset management system</li> <li>• Reduce the rates bill</li> <li>• Effectively utilise current assets i.e Hotels</li> </ul>
Effective infrastructure delivery and maintenance	<ul style="list-style-type: none"> <li>• Improve the maintenance of public buildings</li> <li>• Reduce the use of consultants</li> </ul>
IT Systems	<ul style="list-style-type: none"> <li>• Use of technology to streamline project monitoring and reporting.</li> <li>• Develop an integrated management system</li> </ul>
Stakeholder Relations	<ul style="list-style-type: none"> <li>• Strengthen client relations to facilitate an integrated approach to service delivery within the department and in interactions with client departments.</li> </ul>
Strategic Provincial Infrastructure Delivery	<ul style="list-style-type: none"> <li>• Establishment of a functional Project Management Unit for the Strategic Infrastructure Development Agency (SIDA)</li> </ul>

## 2. SCOPE OF WORK

The KZN DPW thus require support from suitably qualified professional to assist in the implementation of the following:

- **Review, refine and possible redesign of the New Management Model (NMM) and Service Delivery Improvement Plan (SDIP).** This will serve as the key strategic thrust for the organisation re-design to ensure that the Department is able to deliver on its mandate.
- **Design, review and refinement of the 2018 organisational structure to support the NMM & SDIP and the implementation of the IDMS.** Key focus will be on:
  - a. A structure that supports the Department in reclaiming its mandate as an implementer of choice
  - b. Improves efficiencies within the administration
  - c. Assists in improving audit outcomes
  - d. Improves the integration in planning, programme development and efficient service delivery
  - e. Improves the property management function

- f. Assists in improving on maintenance issues on public buildings
- g. Improved use of IT and support of the ideal of all systems being integrated
- h. Improved stakeholder relationships and communications
- i. Improved client relations
- j. Establishment of a PMU and assist in the establishment of SIDA.
- k. A structure that supports the IDMS.
- l. Implementation of the IDMS

Apart from assisting the Department on a change management and improvement path to excel on the delivery of their mandate and address the identified challenges through new approaches and innovative developments to improve the Departments output, the other core objective and aim will be to obtain approval to solicit proposals from Established Professional Built Environment Consulting Service Providers to assist the Department, through the provision of Infrastructure Delivery Management and related consulting services, in resolving some of the Key challenges the Department is currently facing.

It is envisaged that entity or consortium assists the Department in:

- **Institutionalisation of the Infrastructure Delivery Management System (IDMS)**
- **Providing Portfolio-, Programme-, and Project Management oversight, monitoring and evaluation of Programs/Projects;**
- **Effecting Supply Chain Reforms through:**
  - Assessing the current processes and model;
  - Developing of an improved supply chain model and framework;
  - Ensuring compliance to the amendments to the Preferential Procurement Regulations, regulatory and other requirements relative to localization and empowerment;
  - Promote Radical Economic Transformation (RET); and
- **Reviewing of the Supply Chain Management Policy to permit the granting of work of specific threshold to local contractors within the Department's Emerging Contractor Development Programme (ECDP) framework.**
- **Centralise all Infrastructure Procurement and Delivery Management activities to ensure that processes and procedures are streamline and duplication are minimised;**
- **Developing an efficient asset management system by:**
  - Reviewing the current asset register and conduct an asset review of the As-Is State of the register;
  - Conducting Asset Due Diligence Assessments to ascertain the monetary values, costs/expenditure for respective assets; and
  - Developing Asset utilisation and optimisation plans to assist in the masterplan for infrastructure and delivery management.
- **Creating an internal Project Management Unit (PMU) and an interim Infrastructure Programme / Project Management Unit (IPPMU) inclusive of methodologies, processes and associated frameworks;**
- **Effective Project Management Systems through:**
  - Development and Management of a Service Delivery Monitoring and Reporting System;
  - Ensure the timeous collection, collation of information required by the Department to enable real-time reporting.
- **Assist in the enablement of effective Infrastructure Delivery and Maintenance**
- **Facilitate the continuous Management Reporting of Contractors and Stakeholders.**



### 3. REPORTING:

- The successful Individual/Entity will report directly to the Accounting Officer.

### 4. SKILLS REQUIRED OF SERVICE PROVIDER-CONSULTING TEAM

The service provider will have to possess at a minimum the following skills and competencies but not limited to:

#### A. RESOURCES MINIMUM REQUIREMENTS

RESOURCE	MINIMUM REQUIREMENTS	
	QUALIFICATIONS	EXPERIENCE
<b>PROJECT MANAGEMENT</b>		
PROJECT LEADER	BUILT ENVIRONMENT DEGREE QUALIFICATION AND PROFESSIONAL REGISTRATION	AT LEAST 15 YEARS EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION
PROJECT MANAGER	BUILT ENVIRONMENT DEGREE QUALIFICATION AND PROFESSIONAL REGISTRATION	AT LEAST 10 YEARS EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION
PROJECT ADMINISTRATOR	MATRIC	AT LEAST 3 YEARS EXPERIENCE IN ADMINISTRATION
<b>INFRASTRUCTURE TEAM</b>		
IDMS SPECIALIST/ LEADER	BUILT ENVIRONMENT DEGREE QUALIFICATION AND PROFESSIONAL REGISTRATION	AT LEAST 5 YEARS EXPERIENCE WITH IDMS IMPLEMENTATION OR SIMILAR PROJECT
IDMS MANAGER - ENGINEERING	Bsc. Eng or B.Eng or B.Tech and Professional Registration	AT LEAST 5 YEARS EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION
IDMS MANAGER - ARCHITECTURE	B.Arch or B.Tech and Professional Registration	AT LEAST 5 YEARS EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION
IDMS MANAGER – QUANTITY SURVEYING	Bsc. QS or B.Tech and Professional Registration	AT LEAST 5 YEARS EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION

TRAINING SPECIALIST	MATRIC	AT LEAST 5 YEARS EXPERIENCE IN TRAINING
<b>ORGANISATIONAL SPECIALIST</b>		
ORGANISATIONAL DEVELOPMANT SUPPORT	RELEVANT BACHELORS DEGREE or DIPLOMA	AT LEAST 5 YEARS EXPERIENCE ON A SIMILAR PROJECT
ADMIN	MATRIC	ADMINISTRATION EXPERIENCE
<b>SUPPLY CHAIN SPECIALIST</b>		
SUPPLY CHAIN EXPERT	RELEVANT BACHELORS DEGREE or DIPLOMA	AT LEAST 5 YEARS EXPERIENCE WITH SCM IMPLEMENTATION
AUDITING EXPERT	RELEVANT BACHELORS DEGREE or DIPLOMA	AT LEAST 5 YEARS EXPERIENCE IN AUDITING
<b>PROPERTY MANAGEMENT</b>		
PROPERTY MANAGEMENT SPECIALIST	RELEVANT BACHELORS DEGREE or DIPLOMA	AT LEAST 5 YEARS EXPERIENCE IN PROPERTY MANAGEMENT
ARCHITECT / TOWN PLANNER / QUANTITY SURVEYOR	BACHELORS DEGREE	AT LEAST 5 YEARS EXPERIENCE IN THE BUILT ENVIRONMENT
<b>STAKEHOLDER RELATIONS</b>		
COMMUNICATIONS SPECIALIST	BACHELORS DEGREE or DIPLOMA	AT LEAST 3 YEARS EXPERIENCE IN STAKEHOLDER MANAGEMENT
COMMUNICATION SUPPORT	MATRIC	EXPERIENCE IN GOVERNMENT COMMUNICATION
<b>INFORMATION TECHNOLOGY</b>		
IT SPECIALIST	BACHELORS DEGREE or DIPLOMA IN INFORMATION SYSTEMS MANAGEMENT	AT LEAST 5 YEARS IN IT SUPPORT
IT ADMIN	MATRIC	IT ADMINISTRATION EXPERIENCE

## 5. EVALUATION CRITERIA

The evaluation will be undertaken in three phases as indicated below and any non-compliance with the requirements of each phase will render your proposal as being non-responsive.

### PHASE 1: Responsiveness Criteria

- Correctness of proposal documents
- Compliance with bid regulations (registration with Central Suppliers database, tax clearance compliance, completion of the tender document,
- Adherence to the requirements of the scope of work
- Compliance with the required qualification, skills and competencies

### PHASE 2: Functionality scoring

- Individuals, consortia of individuals or company bidding will be evaluated as follows :
  - Please note that for any Bidder to be considered this must reach the minimum of 160 points in total and much reach the minimum on each dimension for consulting team composition.
  - The successful bidder/bidders to be considered will be those who achieve as close to the maximum points of 200 points for consulting team composition and 30 points for methodology as contained in their proposals submitted
  - Evidence and relevant documentation will be required for points claimed in the form of comprehensive individual CVs, company profiles and organograms.
- Bidders must submit the required detailed information to comply with the specified valuation criteria.
- Ambiguous, vague or unclear statements provided in the documentation responding to the functionality criteria ***will be excluded from the evaluation.***

## FUNCTIONALITY CRITERIA 1: CONSULTING TEAM COMPOSITION: KEY SKILLS (70%)

### RESOURCES SCORING

RESOURCE	SCORING CRITERIA	SCORE	MAXIMUM SCORE
PROJECT MANAGEMENT			35
PROJECT LEADER	15 YEARS OR MORE EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION	10	
	3 YEARS OR MORE AS PROJECT LEADER ON SIMILAR PROJECT	5	

PROJECT MANAGER	10 YEARS OR MORE EXPERIENCE IN INFRASTRUCTURE PROJECTS IMPLEMENTATION	10	
	3 YEARS OR MORE AS PROJECT MANAGER ON SIMILAR PROJECT	5	
PROJECT ADMINISTRATOR	3 YEARS OR MORE EXPERIENCE IN ADMINISTRATION	5	
<b>INFRASTRUCTURE TEAM</b>			<b>50</b>
IDMS SPECIALIST/ LEADER	5 YEARS OR MORE EXPERIENCE WITH IMPLEMENTATION OF SIMILAR PROJECT	10	
	PREVIOUS EXPERIENCE WITH IDMS PROJECT IMPLEMENTATION	5	
IDMS MANAGER - ENGINEERING	5 YEARS OR MORE EXPERIENCE WITH IMPLEMENTATION OF SIMILAR PROJECT	10	
IDMS MANAGER - ARCHITECTURE	5 YEARS OR MORE EXPERIENCE WITH IMPLEMENTATION OF SIMILAR PROJECT	10	
IDMS MANAGER – QUANTITY SURVEYING	5 YEARS OR MORE EXPERIENCE WITH IMPLEMENTATION OF SIMILAR PROJECT	10	
TRAINING SPECIALIST	5 OR MORE YEARS EXPERIENCE IN TRAINING	5	
<b>ORGANISATIONAL SPECIALIST</b>			<b>20</b>
ORGANISATIONAL DEVELOPMANT SUPPORT	RELEVANT BACHELORS DEGREE AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	10	
	RELEVANT DIPLOMA AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
ADMIN	PREVIOUS ADMINISTRATION EXPERIENCEMATRIC	5	

<b>SUPPLY CHAIN SPECIALIST</b>			<b>30</b>
SUPPLY CHAIN EXPERT	RELEVANT BACHELORS DEGREE AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	10	
	RELEVANT DIPLOMA AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
AUDITING EXPERT	RELEVANT BACHELORS DEGREE AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	10	
	RELEVANT DIPLOMA AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
<b>PROPERTY MANAGEMENT</b>			<b>25</b>
PROPERTY MANAGEMENT SPECIALIST	RELEVANT BACHELORS DEGREE AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	10	
	RELEVANT DIPLOMA AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
ARCHITECT / TOWN PLANNER / QUANTITY SURVEYOR	5 YEARS OR MORE EXPERIENCE IN THE BUILT ENVIRONMENT	10	
<b>STAKEHOLDER RELATIONS</b>			<b>20</b>
COMMUNICATIONS SPECIALIST	RELEVANT BACHELORS DEGREE AND 3 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	10	
	RELEVANT DIPLOMA AND 3 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
COMMUNICATION SUPPORT	PREVIOUS EXPERIENCE IN GOVERNMENT COMMUNICATION	5	
<b>INFORMATION TECHNOLOGY</b>			<b>20</b>
IT SPECIALIST	RELEVANT BACHELORS DEGREE AND 5 YEARS OR MORE	10	

	EXPERIENCE ON A SIMILAR PROJECT		
	RELEVANT DIPLOMA AND 5 YEARS OR MORE EXPERIENCE ON A SIMILAR PROJECT	5	
IT ADMIN	PREVIOUS IT ADMINISTRATION EXPERIENCE	5	
<b>TOTAL</b>			<b>200</b>

**A MINIMUM SCORE OF 75% (i.e. 150 POINTS) MUST BE SCORED IN ORDER TO BE CONSIDERED FURTHER.**

## **FUNCTIONALITY CRITERIA 2: EVALUATION OF METHODOLOGY (30%)**

<b>DIMENSION</b>	<b>CRITERIA POINTS</b>	<b>TOTAL POINTS</b>
<b>1. Understanding of Brief</b>  The methodology demonstrates clear understanding and interpretation of the brief and detailed expected outcomes. Clear understanding of what how changes need to be implemented and overall objective of the scope of the TOR.	1=poor  3= average  5=excellent	Maximum: 9
<b>1. Clear Project Timelines</b>  Detailed project timelines demonstrating how the IDMS, NMM and SDIP will be implemented over 36 months with all phases clearly depicted and milestones articulated.	1=poor  2=realistic  3=excellent	Maximum: 3
<b>2. Effective utilisation of Resources</b>  Clear and detailed understanding of how key personnel on the project team will assist with the implementation of the project. Clear depiction of how best resources will be used during a phased approach. Linking of skills with ultimate objectives needed.	1=poor  2=realistic  3=excellent	Maximum: 3
<b>3. Sustainability and Skill Transfer</b>  Clear and detailed evidence on how proposed intervention and methodology will sustain the required change in the Department by addressing the implementation of IDMS, SCM reforms, Organisational reforms linked to the changes,	5= poor  10=good	Maximum: 15

improved property management reforms, IT reform/support and improved stakeholder relations. Clear detailing of the link between proposed methodology and ultimate objectives of the department. There should be clear evidence of the transfer of skills.	15=excellent	
<b>TOTAL</b>		30

**PHASE 3: Points for price and preference**

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

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

## GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all proposals:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included)
- 1.2 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 Preference point system shall be applicable.
- 1.3 Points for this bid shall be awarded for:
- (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

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

- 1.5 Failure on the part of a Bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a Bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**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 Proposals, advertised competitive quoting 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:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) 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 or 90 points is allocated for price on the following basis:

##### **80/20**

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

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

#### 5. BID DECLARATION

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

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

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

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

## 6. SUB-CONTRACTING

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

*(Tick applicable box)*

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

6.1.1 If yes, indicate:

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

*(Tick applicable box)*

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
Black people		
Black people who are youth		
Black people who are women		

<b>Black people with disabilities</b>		
<b>Black people living in rural or underdeveloped areas or townships</b>		
<b>Cooperative owned by black people</b>		
<b>Black people who are military veterans</b>		
<b>OR</b>		
<b>Any EME</b>		
<b>Any QSE</b>		

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

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

**7.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

.....

**7.6 COMPANY CLASSIFICATION**

- ☐ Manufacturer

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

[TICK APPLICABLE BOX]

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

7.8 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:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the quoting process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the Bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

- (e) forward the matter for criminal prosecution.

**WITNESSES**

1. ....

2. ....

.....

SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

**8. PRICING INSTRUCTIONS**

- 8.1 Your price schedule is to include the cost per hour at a maximum of 40 hours per week as well as the total cost for the 36 month contract period.

Please note that prices must be in Rands and must include disbursements.

ENTITY/CONSORTIUM	COST FOR YEAR ONE	COST FOR YEAR TWO	COST FOR YEAR THREE
<b>TOTAL</b>			
<b>15% VAT</b>			
<b>GRAND TOTAL</b>			

Total price carried to Bid Form (Section F) : R .....

**9. INDEMNITY**

- 9.1. KZN DPW will not be held responsible for any costs incurred by the bidder/s in the preparation and submission of the proposals.
- 9.2. KZN DPW is not bound to select any of the firms submitting proposals, and reserves the right not to award the contract to the bidder with the lowest bidding price.

**10. COMPULSORY COMPLIANCE DOCUMENTATION**

- (i) Certified copies of Business Registration Documents, Shareholding Certificates, and Identity Documents of the Shareholders.
- (ii) Certified copy of the BBBEE Rating Certificate or an EME sworn affidavit
- (iii) Certified copy(s) of Joint Venture / Consortium Agreement (if applicable)

**11. KZN DPW's RIGHTS RESERVED AND CONTRACT**

The KZN DPW reserves the right to cancel this proposal at any time prior to the award of the bid, which right shall be exercised at its sole discretion. In such event of cancellation, the KZN DPW will not be accountable for any costs which bidders may have expended on the bid process.

The KZN DPW will enter into a contract with the successful bidder in accordance with the Standard General Conditions of Contract in use by the National Treasury for such government contracts, which it shall at its sole discretion, amend in accordance with the Technical Requirements of the Bid and the successful bidder's response thereto, in order to effectively govern the successful delivery of the products and services purchased under this bid process.

**12. CLARIFICATION**

The KZN DPW reserves the right to solicit clarification to any material presented in its proposal but is not obliged to do so.

**13. VALIDITY**

This proposal shall be valid for a period of sixty (60) calendar days calculated from the closing time specified.

**SECTION H**

**OFFICIAL BRIEFING SESSION CERTIFICATE**

REF NO : ZNT 2/19/20

Service : Request for Proposals for the appointment of suitably qualified professionals/consortium of professionals or company to implement the KZNDPW Infrastructure Delivery Management System (IDMS) and New Management Model (NMM) & Service Delivery Improvement Plan (SDIP)

Date : 9 July 2019

Time : 10H00

Venue : 191 Prince Alfred Street, Head Office,  
Pietermaritzburg, Auditorium

\*\*\*\*\*

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

ON BEHALF OF .....

ATTENDED THE 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 I

### TAX COMPLIANCE STATUS (TCS)

- 1 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 S A 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 proposals.
- 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 proposals 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 J

### AUTHORITY TO SIGN A QUOTATION

A.

#### 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, authorising 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 authorised 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

.....	.....	.....
<b>SIGNATURE</b>	<b>SIGNATURE</b>	<b>SIGNATURE</b>
(PRINT NAME)	(PRINT NAME)	(PRINT NAME)

.....	.....	.....
<b>DATE</b>	<b>DATE</b>	<b>DATE</b>

### 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 authorising 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 authorised 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 JOINT VENTURE**

If a bidder is a joint venture, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of the enterprises, authorising 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 authorised 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:**.....

## **F. CONSORTIUM**

If a bidder is a consortium, a certified copy of the resolution/agreement passed/reached signed by the duly authorised representatives of concerned enterprises, authorising 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 authorised 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 K

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

(To be completed by Bidder.)

- 1 This Standard Bidding Document must form part of all proposals 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 L

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all proposals<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 proposals 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 proposals, limited proposals 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.**

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.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to proposals and contracts, proposals 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

<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.

## **ANNEXURE B**

### **SPECIAL CONDITIONS OF CONTRACT**

#### **1. GENERAL DUTIES**

- 1.1 The Individual/Entity shall, in addition to the duties specifically stated herein, do and perform all acts, matters and things which are required to achieve the objectives set by the Department in respect of the services required and shall also give advice in regard to any matter in line with his duties upon which the Accounting Officer may from time to time require assistance.
- 1.2 Written instructions changing the scope and/or other conditions of this Contract shall not vitiate the contract. Should the Individual/Entity however not be able to comply with a written instruction, or should compliance result in additional cost and/or staff, or reduction in cost and staff, related to this Contract, the Individual/Entity must notify the Accounting Officer in writing within seven days, giving full details and costs.
- 1.4 The Individual/Entity shall exercise all reasonable diligence and skill necessary for the proper and prompt execution of the duties called for and shall carry them out in accordance with the procedures of the Department at all times. The involvement of personnel of the Department in services related to the duties of the Individual/Entity will in no way relieve the Individual/Entity of responsibility in this regard.
- 1.5 The Individual/Entity shall perform all duties as may be prescribed in these Conditions promptly, efficiently and in a manner that will safeguard the Province's interests at all times and in due order and sequence.
- 1.6 Irrespective of the scope of this Contract being described as individual functions of Team members, the Contract remains the provisioning of services described in total and service delivery will not be subjected to the non-availability of individual members of the Team due to annual leave, strike, ill health and the like. Although the "Labour Act" may be applicable to the Individual/Entity it will not apply to the Department as far as the Team is concerned and the Individual/Entity must arrange for suitably qualified and experienced replacements in order that the services are not jeopardized.
- 1.7 The Individual/Entity shall comply with all Statutory registration requirements for his employees and pay all rates, taxes, levies, etc. and in particular insure the employees against injury on duty, as no claims in this regard, for whatever reason, will be entertained.

#### **2. EQUIPMENT**

- 2.1 Portable computers and printers will be provided to the Individual/Entity.
- 2.2 The Department has standardized on specific software and systems, e.g. Microsoft products (Excel and Word). No software other than that provided by the Department or data from external sources will be allowed on Departmental computers, unless it is authorized by the Head for official purposes, and then only if verified by the Provincial I.T. representatives.
- 2.3 Cell phones, where required, must be provided at own cost by the Individual/Entity and, proven official calls only, will be reimbursed by the Department.

#### **3. LANGUAGE MEDIUM**

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

#### **4. PAYMENT**

- 4.1 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.
- 4.2 Payment shall be made by the Department within thirty days after receipt of a monthly detailed invoice, based on the conditions as determined 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.

#### **5. TRANSPORT ALLOWANCES**

- 5.1 The Individual/Entity must provide all motor transport for his employees or himself and payment for the official use of motor transport, i.e. not for private purposes and not from home to office and back, will be made in accordance with the Province's tariff for the relevant vehicles as prescribed from time to time and the policy is as follows:
- 5.1.1 The "allowances payable for the use of privately-owned vehicles on official business" as published from time to time by the National Department of Transport in terms of the Annexure to Transport Circular No. 1 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport), as amended, form the basis for claims by the Regional Program Manager for reimbursement of Travelling Costs/Expenses.
- 5.1.2 The rates paid to the Individual/Entity will be based on the engine capacity of the vehicle actually used, but will be limited to a maximum engine capacity of 1951 to 2150 cc.
- 5.1.3 The Individual/Entity will be required to have obtained prior permission from the Head to use and claim expenses in respect of a "4x4 light delivery vehicle" or "bus".
- 5.1.4 It will be the responsibility of the KwaZulu-Natal Department of Transport to extract the relevant portion from the transport circular issued from time to time by the National Department of Transport, and to advise Provincial Departments of any new rates to be used for reimbursement of consultants travel costs, which are inclusive of a 35 % mark up as per Treasury authority dated 18 December 1998 – Ref: FT 10/2/1/11 (385 – 98/99).
- 5.2 Claims for transport expenses must reflect the dates on which the journeys were undertaken, the distances travelled, the type of vehicles used and the purpose of the trips.
- 5.3 In cases where use is made of hired vehicles, the most economically sized motorcar available is to be used but the Head shall nevertheless restrict recovery of such expenses to the cost of a hired motorcar of not exceeding 2150 cc in engine capacity.
- 5.4 Air travel for official purposes must be approved by the Department and will be arranged and paid for by the Department.
- 5.5 To minimise costs, it is expected that the employees of the Individual/Entity and/or his staff and/or Departmental officials will travel together, where practicable, for the purpose of attending meetings.
- 5.6 Where journeys and costs are considered, in the Head's discretion to have been incurred unnecessary no claims for such costs will be considered.

## **6. SUBSISTENCE ALLOWANCES**

- 6.1** Subsistence allowances will be paid according to tariffs as laid down from time to time by the Head. Should the abovementioned tariff be inadequate, substantiated actual costs may be claimed with prior approval.
- 6.2** Subsistence allowances may only be claimed in respect of absence from office for every completed day of 24 hours at the prescribed daily subsistence rate and for every additional completed hour at the hourly subsistence rate.
- 6.3** Only actual costs are payable in respect of absence from office of less than 24 hours, provided the necessary substantiating invoices or receipts are submitted.
- 6.4** No payment for alcoholic beverages included in claims will be considered.

## **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 Individual/Entity 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 Individual/Entity 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 Individual/Entity
- 7.3** The Head reserves the right, with due consultation, to replace any employee of the Individual/Entity or the employees in total with Departmental officials or cease some or all of the functions of the Individual/Entity and may terminate the services and therefore terminate the appointment of the Individual/Entity and/or an employee(s) of the Individual/Entity before the expiry of the contract period.
- 7.4** The Individual/Entity or may, upon reasonable notice and with due consultation and agreement by the Head, terminate the Contract or terminate the appointment of the Individual/Entity r 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 Individual/Entity 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 Individual/Entity at his sole discretion.
- 7.6** The Individual/Entity shall not have the right to assign or transfer any benefit or obligation under this Contract to a third 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 Individual/Entity 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 Individual/Entity 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 Individual/Entity 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 Individual/Entity.
- 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 Minister for Works and the Individual/Entity. Such approval may not be withheld without stated valid reason. The decision of the Arbitrator shall be final and binding on both parties.

## **GENERAL CONDITIONS OF CONTRACT**

### **1. Definitions**

1. The following terms shall be interpreted as indicated:

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

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

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

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

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

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

1.7 "Day" means calendar day.

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

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

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

delivered and a valid receipt is obtained.

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

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

quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

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

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



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

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

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

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

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

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

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

## **2. Application**

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

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

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

### **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

### **4. Standards**

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

### **5. Use of contract documents and information; inspection.**

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5. except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

### **6. Patent rights**

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

## **7. Performance security**

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

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

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

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

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

## **9. Packing**

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

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

## **10. Delivery and documents**

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

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

## **11. Insurance**

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

## **12. Transportation**

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

### **13. Incidental services**

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

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

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

### **14. Spare parts**

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

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

### **15. Warranty**

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

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

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

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

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

## **16. Payment**

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

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

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

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

## **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

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

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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



with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

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

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

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

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

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

## **25. Force Majeure**

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

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

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

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

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

(b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

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

## **32. Taxes and duties**

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

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

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

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

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

### **34 Prohibition of Restrictive practices**

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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