



National Empowerment Fund

RFP No: NEF 04/2023/24

**REQUEST FOR PROPOSAL: PROVISION
OF AN ENTERPRISE RESOURCE
PLANNING SYSTEM**

CLOSING DATE: 12 April 2024

TIME: 14H00

1. Proprietary Information:

The National Empowerment Fund (NEF) considers this Tender and all related information, either written or verbal, which is provided to the respondent, to be proprietary to NEF. It shall be kept confidential by the respondent and its officers, employees, agents, and representatives. The respondent shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of NEF.

2. Enquiries

All communication and attempts to solicit information of any kind relative to this Tender should be channelled to the officials named below:

Contact persons (all questions should be in writing)

Enquiries can be directed to:

Name: Ms Kedibone Mboweni

Head: Supply Chain Management

Telephone Number Office: +27 11 305 8000

Fax Number: +27 11 305 8001

Email address: mbowenik@nefcorp.co.za

Technical Enquiries can be directed to:

Name: Ms Khona Mcinga

Team Lead: Business Applications

Telephone Number Office: +27 11 305 8000

Fax Number: +27 11 305 8167

E-mail address: mcingak@nefcorp.co.za

Medium of Communication

All the documentation submitted in response to this tender must be in English.

3. Verification of Documents

Tenderers should check the numbers of pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the NEF regarding anything arising from the fact that pages are missing or duplicated.

4. Validity Period

Responses to this tender received from tenderers will be valid for a period of **150** days counted from the closing date of the tender.

5. Submission of Tenders

5.1 TENDER RFP NEF 04/2023/2024 Provision of Enterprise Resource Planning System must be emailed to tenders@nefcorp.co.za by no later than **14h00** on **12 April 2024**.

5.2 Bidders are advised to submit / send its bid responses at least 15 minutes before the deadline to avoid any Information Technology (IT) network congestions or technical challenges in this regard which may result in bid responses being received late. NEF's e-mail servers are configured to receive e-mails with sizes up to 18MB.

The NEF will not be held responsible for any of the following:

- bid responses sent to the incorrect email address;
- bid responses being inaccessible due to non-standard electronic file formats being utilised to submit responses by bidders;
- any security breaches and unlawful interception of tender / bid responses by third parties outside the NEF's IT network domain;
- bid responses received late due to any IT network related congestions and/or technical challenges; and bid responses with file size limits greater than NEF's e-mail receipt capacity of 18MB.

5.3 All enquiries regarding this RFP should also be directed to the following email addresses, tenders@nefcorp.co.za; mcingak@nefcorp.co.za; vermeulend@nefcorp.co.za; mbowenik@nefcorp.co.za and tofilex@nefcorp.co.za

5.4 Only responses received via the specified email address will be considered.

5.5 No tender received by telegram, telex, facsimile or similar medium will be considered.

5.6 Where a complete bid response (Inclusive of all relevant Schedules) is not received by the NEF in its electronic email tender box (tenders@nefcorp.co.za) by the closing date and time, such a bid response will be regarded as incomplete and late. Such late and / or incomplete bid will be disqualified. **The NEF does not consider late bids for tender evaluation.**

5.7 The tenderer is responsible for all the costs that shall be incurred in relation to the preparation and submission of the tender document.

CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER

Name of your Company (in block letters)	
Signature(s) of the Bidders	
Name of person signing (in block letters)	
Capacity	
Are you duly authorized to sign this tender?	
Company Registration Number	
VAT Registration Number	
Postal address (in block letters)	
Physical address (in block letters)	
<i>Domicillium citandi et executandi</i> in RSA	(full) street address) (in block letters)
Contact Person	
Telephone Number	
Fax Number	
Cell Number	
E-mail	

SECTION: 2

TERMS OF REFERENCE / SCOPE OF SERVICE

1. BACKGROUND

The National Empowerment Fund seeks to appoint a software provider to supply licenses and implement An Enterprise Resource Planning (ERP) software solution that will operate and assist in integrating applications to manage business operations and performance. The system needs to automate most currently manual processes to promote efficiency, effectiveness, and productivity. The aim is to reduce turnaround times internally to ensure that quick and vital decision-making is done by the organization. The organization currently has an outsourced Microsoft Dynamics Great Plains ERP solution, and the intention is to have the ERP a cloud-based system supported and maintained by the supplier of the software for a period of 36 months with an option to extend for another additional year based on performance.

2. Existing Environment

The NEF is currently using Microsoft Dynamics Great Plains version 2016 for its ERP system. There is a maximum of 20 full-access active users. Other users have limited access as they only process requisitions in the system. The system is running on SQL Server 2012 hosted on-premise.

3. Scope of work

With the overall guidance, direction from NEF, and focal points assigned from NEF, the vendor is required to develop/provide a cloud-based application to automate all the processes rendered during loan tenure by NEF, covering functions listed, but not limited those mentioned below. The preferred ERP system is a Microsoft platform, however, any tool that would seamlessly integrate with Microsoft applications is acceptable. If the Service Provider proposes a Microsoft solution, the NEF will source the licenses internally, however, for any other systems Service Providers should include the license costs on their proposals.

The proposals that are being requested through this RFP for an ERP system solution should have the following functionalities as a standard offering:

3.1 Financial Management

3.1.1 Accounting Capabilities

- Creation of GL accounts as per the NEF's segments / cost centres.
- The system must be able to do all accounting transactions i.e. (accounting for invoices, credit note, debit note, etc.)
- Uploading/ processing journal Entries
- Posting of journal entries
- System should be able to process bank feeds
- System should be able to send remittance advices directly to supplier's/service providers
- Capture budgets and forecasts

- Management Accounts:
 - Produce consolidated management accounts for each business unit.
 - Management accounts should entail a comparison of actual expenditure to budgeted/project expenditure for the current period (one month only), year-to-date period and also forecast period
 - Produce variances in values and percentage form
 - Option to upload Excel or CSV files for journal entries, budgets, and forecasts.
- Export financial reports (general ledger (GL) dump, trail balance, etc.) in excel or CSV file
- Drill down trial balance items to GL, to sub GL and to journal entries
- System should disallow processing of transactions in a closed off period
- Closed off period should only be opened upon special request.
- Trial balance should balance. Exception reports on unbalancing transactions
- General Ledger, All sub-ledgers, Accounts Payable, Accounts Receivable, PurchaseOrders, Vendor relationship/Workflow and
- Cashbook and Bank reconciliation
- Bank Statement automation to the Cashbook.
- Financial reports per Business Unit
- Interpret final trial balance to financial statement format
- Reports of all transactions such as (Budget variances, Reconciliations, Trial Balance, Age Analysis, General Ledger per business unit)

3.2 Asset Management Capabilities

- Generate asset ID numbers for new assets in a sequence (Asset ID) i.e. CE00123; CE00124; CE00125
- Load asset useful life and updated useful life
- Accommodate the use of different depreciation methods and, ability to apportion the depreciation using numbers of days as well as months.
- Assets reconciliation with the general ledger
- Assets reconciliation to agree to the general ledger (integration of the fixed asset and GL)
- Asset tracking report, this report will be used to do asset verification.
- Asset disposal when end of life has been reached.
- Asset register report outlining the following: location, user, barcode/serial number, depreciation amount, useful life remaining and carrying value

3.3 Payables

- Invoice receipting
- Process payments and batch posting as per the delegation of authority.
- Creditors Reconciliation
- Batch / File loading of payables transactions on to the banking system

3.4 Supply Chain Management Requirements

3.4.1 Supplier database

- Add new vendors and updating information as and when required.
- Accommodate compliance requirements: BBBEE and Tax
- Put vendor on hold should a supplier be not compliant Tax certificate expired, SLA expired etc.
- Approval workflow to remove the hold when the vendor becomes compliant.
- Specify service types for each vendor.
- Produce database reports (service types, ownership, BBBEE, etc.)
- Assign user rights for segregation of duties.

3.4.2 Procurement

- Tender Bid Management – Log RFP request, update them after every milestone,upload tender documents and extract reports of open and closed tenders.
- Log RFQ requests
- Closed open calls once quotations have been received.
- Attach documents/quotes received (system to have enough space to accommodate documents/quotes received)
- Track and escalate open RFQ calls as per turnaround time provided.
- The system to have sufficient space for the specification to be fully captured.
- Import and export documents in PDF, CSV, Excel, JPG, etc.
- Extract reports in Excel, CSV, etc.
- Capture purchase requisitions
- Capture approval routing for requisitions as per the delegation of authority
- System to set controls of approvals from 1st approver at all times as per delegation of authority.
- System to send alerts to requisition approvers once requisition has been raised.
- System to attach CSV, Excel, PDF files, etc. whilst raising a requisition.
- System to generate purchase orders.
- Capture approval routing for purchase orders as per the delegation of authority
- System should allow editing of Purchase Order and to set controls of approvals as per delegation of authority.
- System to send out alerts to Requisition creators once a purchase order has been generated.
- System to prevent users from creating Purchase orders.
- System to be able to produce procurement reports i.e. Open Order Report, Conversion of requisitions to purchase orders report,

- Requisition and purchase order approval report, receipting days' report.
- System to send reminder alerts to approvers if requisitions are not approved.
- System to receipt open purchase orders (confirming delivery of purchase order)

3.4.3 Contract Management

- Capture and maintain SLAs.
- Ability to capture contract amount, ability report on expenditure vs contract amount.
- Ability to alert users on contract amount vs expenditure when certain thresholds have been reached.
- Setup reminder dates to contract (SLA) expiry date
- Send out alert prior to contract's expiry dates.
- Extract reports in excel/pdf.
- Upload SLAs using pdf form.

3.5 Other Requirements

- Develop automated reports and dashboards per module.
- All modules to integrate with each other.
- System should integrate with other systems through API (Application programming interface)
- Integration exception reports
- System processes should be automated using workflows.
- A training plan and training to be conducted for super users and system administrators.
- End user training plan and training for all modules
- Import and Export to excel, CSV, PDF etc.
- Segregation of duties/delegation of authority
- The service provider will be required to migrate the solution to the GEPF SAAS environment before or after 1 year.
- Maintenance and Support Service
- System to comply with POPIA (Protection of Personal Information Act)
- Implementation lead time of 3 -6 months
- Accurate and complete data migration

4. Deliverables

The key deliverables and outputs expected from the software solution are as follows:

- A software solution that has been provided and implemented by the service provider.
- The system to provide financial management, supply chain management.
- The software solution provider should provide software support and maintenance for the specified period

- The software solution provider should provide training, guidance and support to the NEF staff where needed.
- Built in functions that are integrated with excel.
- Extract data from various sources including excel, pdf, etc.
- Develop automated reports and dashboards per module.
- The software solution should have appropriate security functionalities/ features.
- Implementation lead time of 3 – 6 months.
- Accurate and complete Data Migration.
- In addition, the service provider should provide:
 - Project Charter – in conjunction with the NEF.
 - A detailed project plan for the implementation of the software.
 - Test plan and User Acceptance Test cases/scripts.
 - End user training plan and training for all modules
 - A skill transfer plan and skill transfer for the system administrators and super users. A training plan and training to be conducted for super users and system administrators.
 - Post Go Live report (Lessons Learnt)
 - A pro-forma service level and escalation matrix.
 - Provide monthly service level reports.
 - System and user Change Management
 - Any other documentation, as appropriate and identified during the project.

5. Required Competencies and expertise.

The software solution provider should endeavour to deliver the software solution with the requisite level of skill, integrity and professional competence at all times. The software solution provider must demonstrate:

- Knowledge and understanding of information technology in the enterprise resource planning space which includes financial management, supply chain management.
- Knowledge and proficiency of various frameworks applicable to enterprise resource planning.
- Knowledge and understanding that is necessary to implement a software solution system.
- Knowledge and understanding that is necessary to maintain and advise on the software solution system.
- Developing, customisation, configuration and implementation of ERP systems.
- Exceptional analytical skills.
- Define, design and document business processes and procedures to meet business objectives.

- Analyse and identify opportunities for business process improvements.
- Identify initiatives / key performance indicators for continuous business process improvements and
- Ensure compliance with customer and company proposed standards.
- Provide a list of client references with contact details.

6. Duration of appointment

The service provider should have the capability to provide the software, licensing, support and maintenance of ERP solution for a period of three (3) years (36 months) with an option to extend for another additional year based on performance.

7. Project Plan and Rollout

With the overall guidance from NEF, the selected company shall work closely with the IT and Subject Matter Experts teams at NEF. The vendor shall, in their proposal, describe the project team structure to provide the necessary support and services to the NEF. The Vendor shall provide a project manager who shall be responsible for managing the implementation service planning during the project and warranty period in accordance with the schedule and procedures as stipulated by the NEF

- Reporting to the Chief Information Officer, Chief Financial Officer, and IST Steering Committee; the service provider shall be expected to work with the committees that shall be set up by the NEF and other staff that shall be identified.
- The service provider in liaison with relevant stakeholders from the NEF shall come up with a step-by-step project implementation plan with specific milestones that shall form a basis for reporting to the NEF. The project plan should identify concerns, expectations, risks, critical success factors and assumptions.
- The service provider shall be expected to provide written reports detailing the achievements of milestones as per the documented project plan.
- The Vendor shall ensure that all requirements are successfully implemented according to agreed schedule.

EVALUATION CRITERIA

Tenders shall be evaluated in terms of the following parameters and shall be scored on the weightings stated below. **Phase 1: Technical:** Bidders will need to score a minimum of **49 points in technical** to qualify for further evaluation.

Points Allocated: 0=Poor 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Technical	70 points
<p>Enterprise Resource Planning automation methodology and approach. Bidders must provide detailed reports, screenshots and descriptions of each functional area/module:</p> <ul style="list-style-type: none"> • Finance (<u>Refer to section 3.1 of the scope of work above</u>) <ul style="list-style-type: none"> ○ Cashbook - automated bank statement integration ○ Management accounting (budget, projections, variance report). • Payables (<u>Refer to section 3.2 of the scope of work above</u>) <ul style="list-style-type: none"> ○ Creditors recon ○ Invoice approval workflow ○ Accounting functionalities (approval workflow, capturing, reporting, trial balance, ledger, sub-ledger) • Fixed Assets (<u>Refer to section 3.3 of the scope of work above</u>) <ul style="list-style-type: none"> ○ Asset Management (capture, calculation and reporting) ○ Depreciation • Supply Chain Management (<u>Refer to section 3.4 of the scope of work above</u>) <ul style="list-style-type: none"> ○ Contract Management ○ Procurement (tender / RFQ process) ○ Vendor /Supplier maintenance (database) ○ Requisition Management <p>Scoring Matrix for all the above criteria:</p> <ul style="list-style-type: none"> • 5 points - System includes automated functionality, advanced reporting, and analytics. • 4 points - System includes automated functionality and advanced features • 3 points - System covers all required Scope of Work • 2 points - System covers partial requirements of the Scope of Work • 1 point - Basic functionality with legacy system functionality • 0 points - No Response 	<p>4</p> <p>6</p> <p>3</p> <p>4</p> <p>3</p> <p>3</p> <p>2</p> <p>3</p> <p>3</p> <p>4</p> <p>5</p>

<p>Provide detailed description of Automation and integration to Microsoft tools and platforms:</p> <p>Scoring Matrix:</p> <ul style="list-style-type: none"> • 5 points – Full integration, automation, AI and workflow integration to Microsoft tools. • 4 points – Advanced automation, escalation and integration provided • 3 points – Automation integrated to Microsoft tools • 2 points – Basic automation in some modules • 1 point – Limited automation functionality • 0 points – No information provided 	<p>10</p>
<p>Experience of service provider: Experience in Enterprise Resource Planning. (Required Competencies and expertise: CVs, qualifications and certificates must be attached for the required key personnel. NEF reserves the right to phone the key personnel to validate the CV received.) as well as details of projects implemented by the resources. Provide a detailed implementation plan.</p> <p>List competencies and plans relating to:</p> <ul style="list-style-type: none"> • Technical abilities and experience of technical team • Implementation Plan • Data Migration • Transfer of Knowledge and Enablement: Proposed plan for engagement, sustainability and institutionalising the processes within NEF <p>Scoring Matrix:</p> <ul style="list-style-type: none"> • 5 points – Technical team has experience in successful implementations and provided implementation and training/change management plans. • 4 points – Advanced experience and full plan provided • 3 points – Members have > 5 years and full plan provided • 2 points – Partial experience and plans provided • 1 point - Basic experience and limited information • 0 points - No Response 	<p>5</p> <p>5</p> <p>5</p> <p>5</p>

Phase 2: Presentation: Only Shortlisted bidders will need to score a minimum of 21 points in order to be evaluated further.

Points Allocated: 0=Poor 1=Below average, 2=Average, 3=Good, 4=Very Good, 5=Excellent

Evaluation Criteria	Score	Weight
Bidders will be required to demonstrate the key components of the system and walks us through the proposed solutions. Bidders will be required to present and demonstrate their proposals focusing on the implementation of Enterprise Resource Planning.		
Accounting Capabilities	<ul style="list-style-type: none"> ➤ 5 points - System includes automated functionality, advanced reporting, and analytics. ➤ 4 points - System includes automated functionality and advanced features ➤ 3 points - System covers all required Scope of Work ➤ 2 points - System covers partial requirements of the Scope of Work ➤ 1 point - Basic functionality with legacy system functionality ➤ 0 points - No Response 	5
Accounts Payables Capabilities	<ul style="list-style-type: none"> ➤ 5 points - System includes automated functionality, advanced reporting, and analytics. ➤ 4 points - System includes automated functionality and advanced features ➤ 3 points - System covers all required Scope of Work ➤ 2 points - System covers partial requirements of the Scope of Work ➤ 1 point - Basic functionality with legacy system functionality ➤ 0 points - No Response 	5
Asset Management Capabilities	<ul style="list-style-type: none"> ➤ 5 points - System includes automated functionality, advanced reporting, and analytics. ➤ 4 points - System includes automated functionality and advanced features ➤ 3 points - System covers all required Scope of Work ➤ 2 points - System covers partial requirements of the Scope of Work ➤ 1 point - Basic functionality with legacy system functionality ➤ 0 points - No Response 	5
Supply Chain Management	<ul style="list-style-type: none"> ➤ 5 points - System includes automated functionality, advanced reporting, and analytics. ➤ 4 points - System includes automated functionality and advanced features ➤ 3 points - System covers all required Scope of Work ➤ 2 points - System covers partial requirements of the Scope of Work ➤ 1 point - Basic functionality with legacy system functionality ➤ 0 points - No Response 	5

Ease of use, segregation of duties and audit capabilities	<ul style="list-style-type: none"> ➤ 5 points - System includes automated functionality, advanced reporting, and analytics. ➤ 4 points - System includes automated functionality and advanced features ➤ 3 points - System covers all required Scope of Work ➤ 2 points - System covers partial requirements of the Scope of Work ➤ 1 point - Basic functionality with legacy system functionality ➤ 0 points - No Response 	10
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The NEF may conduct site visits with shortlisted companies.

Phase 3: 80/20 Price and Specific Goals

All tenders that will achieve the minimum qualifying score for technical will be evaluated further in terms of the preference point system as follows:

CRITERIA	POINTS
Price	80
Specific Goals	20
TOTAL	100 points

POPIA Consent Form

Privacy & Protection of Personal Information Act 4 of 2013 Requirements

Request for Proposal No:	
Name of Bidder:	

Protecting personal information is important to the National Empowerment Fund (NEF). To do so, NEF follows general principles in accordance with applicable privacy laws and the Protection of Personal Information Act 4 of 2013 (POPIA).

NEF's role as a responsible party is amongst others to process personal information for the intended purpose for which it was obtained and in line with legal agreements with its respective/ prospective clients, third parties, suppliers, and operators.

Who is an Operator? A person or body/ entity which processes personal information for the NEF in terms of a contract or mandate.

Who is a Supplier? A natural or juristic person that provides a product or renders a service to the NEF. A supplier could also be considered as an operator, an independent responsible party or (together with NEF) a joint responsible party.

If the supplier or business partner provides NEF with its related persons' personal information, the supplier or business partner warrants that the related persons are aware of and have consented to the sharing and processing of their personal information with/by NEF. NEF will process the personal information of related persons as stated under a contractual agreement or as required by any related legislation.

Examples of the personal information of the supplier or business partner where relevant may include (but are not limited to):

Financial information, including bank statements provided to the NEF;

Invoices issued by the supplier or business partner;

The contract/ legal agreement between the NEF and the supplier or business partner;

Other identifying information, which includes company registration numbers, VAT numbers, tax numbers and contact details; marital status and matrimonial property regime (e.g. married in community of property); nationality; age; language; date of birth; education; financial history; academic background and qualifications.

Identifying numbers (e.g. an account number, identity numbers or passport numbers); email address; physical address (e.g. residential address, work address or physical location);

Information about the location (e.g. geolocation or GPS location); telephone numbers; online and other unique identifiers; social media profile/s; biometric information (like fingerprints, facial recognition signature; race; gender; sex; criminal and credit history).

Example of Special personal information is personal information about the following: · criminal behaviour, or any proceedings in respect of any offence allegedly committed by a data subject or the disposal of such proceedings; religious and philosophical beliefs; trade union membership; political beliefs; health, including physical or mental health, disability, and medical history; or biometric information (e.g., to verify identity).

RESPONSIBILITIES OF SUPPLIERS AND BUSINESS PARTNERS WHO ARE OPERATORS UNDER POPIA

Where a supplier or business partner, in terms of a contract or mandate, processes personal information for the NEF and is considered an operator of the NEF, the supplier or the business partner will be required to adhere to the obligations set out in the NEF data privacy or POPIA policy. This policy sets out the rules of engagement in relation to how personal information is processed by suppliers and business partners on behalf of the NEF as well as the minimum legal requirements that NEF requires the suppliers and business partners to adhere to, including compliance with POPIA as summarised in the below table.

Item	GUIDING CONDITIONS FOR PROCESSING PERSONAL INFORMATION	Yes	No
	<p>Accountability The respective clients, third parties, suppliers and operators and its members will ensure that the provisions of POPIA, the guiding principles outlined in the policy and all the measures that give effect to such provisions are complied with at the time of the determination of the purpose and means of the processing and during the processing itself. In the event that an employee of the NEF or any person acting on behalf of the corporation who through their intentional or negligent actions and/or omissions fail to comply with the principles and responsibilities outlined; proper corrective measures will be applied.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<p>Processing Limitation The respective clients, third parties, suppliers and operators and its members will ensure that information is only processed for the justifiable reason and processing is compatible with the purpose of the collection.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<p>Purpose Specification All respective clients, third parties, suppliers and operators and its members will process personal information only for specific, explicitly defined, and legitimate reasons. The respective clients, third parties, suppliers and operators will inform NEF of reasons prior to collecting or recording their PI.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<p>Further Processing Limitation Personal information will not be processed for a secondary purpose unless that processing is compatible with the original purpose. Thus, where the respective clients, third parties, suppliers and operators seek to process personal information it holds for a purpose for which it was originally collected, and where this secondary purpose is not compatible with the original purpose, respective clients, third parties, suppliers and operators will first obtain additional consent from the NEF.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<p>Information Quality The respective clients, third parties, suppliers and operators will take reasonable steps to ensure that all personal information collected is complete, accurate and not misleading. Where PI is collected or received from third parties, the respective clients, third parties, suppliers and operators will take reasonable steps to confirm that the information is correct by verifying the accuracy of the information directly with the data subject or by way of independent sources.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	<p>Open Communication Reasonable steps will be taken by the respective clients, third parties, suppliers and operators to ensure that the NEF is notified of the purpose for which the information is being collected, used, and processed.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Item	GUIDING CONDITIONS FOR PROCESSING PERSONAL INFORMATION	Yes	No
	Security Safeguards It is a requirement of POPIA for responsible parties, business partners and operators to adequately protect personal information. NEF will need to review suppliers or business partner security controls and processes to ensure that personal Information is compliant with the conditions of the lawful processing of personal information as set out in the POPIA. This would be a continuous monitoring and review that will be conducted by the NEF at its discretion.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	Data Subject Participation A data subject whose PI has been collected, stored, and processed by the respective clients, third parties, suppliers and operators must have communication channels to attend to may request for the correction or deletion of such information.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

I, _____ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company/ Entity: _____

Company/ Entity Registration Number: _____

Company/ Entity VAT Registration Number: _____

Signature (Company/ Entity Representative)

Date

enterprise whether or not they are bidding for this contract?
YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS

² 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.

DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black ownership > 51%	10	N/A		
30% Black Women's Ownership	5	N/A		
Any % of ownership by Black Designated Groups >0	1	N/A		
Reconstruction Development Programme Objective: Promotion of SMMEs (Entities that are EME or QSE)	2	N/A		
Youth ownership	2	N/A		
Total Points	20	N/A		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company

State Owned Company
[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder’s Disclosure form;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:	

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

Administrative checklist

Hereunder is a checklist to ensure that the bid document is complete in terms of administrative compliance. Please ensure that the following forms have been completed and signed and that all documents, as requested, are attached to the tender document.

ITEM	DOCUMENT REFERENCE		ACTION TO BE TAKEN	YES/ NO
1.	SBD 1	Invitation to bid	Is the form duly completed and signed?	
2.	POPIA consent form		Is the form duly completed and signed?	
3.	SBD 3.3	Pricing Schedule	Is the form duly completed and signed?	
4.	SBD 4	Declaration of Interest	Is the form duly completed and signed?	
5.	SBD 6.1	Preference Points Claim Form for Preferential Procurement Regulations 2022	Is the form duly completed, Specific Goals points claimed and form signed?	
6.	B-BBEE status level verification certificate or Sworn Affidavit		Is proof of B-BBEE Status level of contributor attached? Bidder must attach copy of BEE Certificate or copy of Sworn Affidavit, whichever is applicable.	
7.	SBD 7.2	Contract Form-Rendering of Contract Services	Is the form duly completed and signed?	
8.	SBD 8	Declaration: Abuse of Supply Chain Management Systems	Is the form duly completed and signed?	
9.	CSD Report or MAAA Number			
10.	Tender submission		One (1) electronic copy submitted?	

I, the undersigned (name) certify that the information furnished on this checklist is true and correct.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

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

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

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

28. Limitation of liability

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

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.