



INVITATION TO BID

13 DARD 08/2022: SUPPLY, DELIVERY AND INSTALLATION OF SOLAR SYSTEM AND HEATER FANS FOR BOONS HYDRO FRESH PRODUCE

You are invited to submit a bid for the service as indicated in the attached bid documents.

1. The conditions contained in the General Conditions of Contract (GCC), and the attached bid forms, as well as any other conditions accompanying this invitation, are applicable.

2. The work procedure, the bidder proposes to follow to obtain the required result must be clearly outlined and its terms may not conflict with those contained in the General Conditions of Contract (GCC).

3. Kindly receive attached the following bid documents:

- 3.1. SBD 1- Invitation to Bid Form
- 3.2. SBD 4- Declaration of Interest
- 3.3. SBD 6.1
- 3.4. SBD 6.2 Local Production and Content
- 3.5. Terms of reference
- 3.6. General conditions of contract (GCC)

4. All the documents accompanying this invitation to bid must be completed in detail, be sealed in an envelope, and be deposited in the bid box before the closing date and time as follows:

Location of bid box: Department of Agriculture and Rural Development

Physical Address: AgriCentre, Cnr. Dr. James Moroka and Stadium Road, Mmabatho

Identification details: SUPPLY, DELIVERY AND INSTALLATION OF SOLAR SYSTEM AND HEATER FANS FOR BOONS HYDRO FRESH PRODUCE

Compulsory Site Briefing: **Portion 21 of the Farm Onverwacht, 362 JQ
OA17046 North West 0334, Boons.**

Co-ordinates: S: - 25° 53' 10" E: 27° 11' 13"

Date for Briefing Session: 18 August 2022 at 11:00am

Closing Date **05 September 2022 at 11H00.**

Access

Access shall be provided for inspections and testing by personnel acting on behalf of the Department.

5. No Telephonic, telegraphic, telex, facsimile, electronic or e-mailed bids will be considered.
6. The Department of Agriculture and Rural Development reserves the right to accept any bid in whole or in part and does not bind itself to accept the lowest or any bid.
7. For more information, please contact the following:

Department : Department of Agriculture and Rural Development

Contact Person: Mr. L.S. Mothibi - 018 389- 5053: Email: smothibi@nwpg.gov.za

8. BID REQUIREMENTS

- 8.1 Late bids will not be considered. Please note that bids are late if they are

received at the address given in the bid document after the bid closing date and time.

- 8.2 Bids will be valid for a period of 90 days.
- 8.3 All the relevant forms attached to this bid document must be completed and signed in ink where applicable by a duly authorised official.

9 MANDATORY DOCUMENTS

The prospective bidders are required to provide the following documentation which will be used for the **phase 1 of the evaluation on Mandatory Documents:**

- 9.1 Certified copy of SANAS accredited Broad-Based Black Economic Empowerment
 - 9.2 (B-BBEE) certificate/ DTI approved Broad-Based Black Economic Empowerment (B-BBEE)
 - 9.3 Certificate / Affidavit signed by Commissioner of Oath or SAPS.
 - 9.4 SARS Tax Pin
 - 9.5 In case of Joint Venture, a consolidated Original Valid Tax Pin should be submitted and a consolidated Broad-Based Black Economic Empowerment (BBBEE) Status Level Certificates.
 - 9.6 Proof of a Valid CIDB Grade (3EB/3EP) Certificate or Higher
- NB:** Bidders who do not submit B-BBEE certificates or Sworn Affidavits will not be disqualified but shall not claim points for B-BBEE.
- 9.7 Recent Centralized Supplier Database report.
 - 9.8 Bidding Company must submit valid proof of registration with electrical contractors
of South Africa (ECASA)

10 EVALUATION METHODOLOGY:

The Evaluation Processes will entail the following phases:

10.1 **Phase 1**- Evaluation on mandatory requirements as stated in 10 above.

10.2 **Phase 2**- Technical/ functional Requirements and bidders who obtain **70%** or more will be passed over to the next phase.

10.3 **Phase 3 – Preferential Point System**

Evaluation in terms of Preferential Procurement Policy Framework Act, i.e Evaluation on BBBEE points and Price

Total points for Price and B-BBEE will not exceed 100



T.Z. MOKHATLA (MR)
HEAD OF DEPARTMENT

12/08/2022.
DATE

TERMS OF REFERENCE

FOR THE SUPPLY, DELIVERY AND INSTALLATION OF SOLAR SYSTEM AND HEATER FANS FOR BOONS HYDRO FRESH PRODUCE

1. INTRODUCTION

The Agricultural Sector Strategy of 2001 refers to several reforms that have reshaped the sector over the last ten years and recommends strategic interventions for achieving the vision of a united and prosperous agricultural sector. The Comprehensive Agricultural Support Programme (CASP) is a vehicle in the realization of the set vision.

The program intends to bring about agrarian reform by supporting previously disadvantaged farmers to can farm at the commercial scale of farming. The mandate of the Branch of Agriculture is to ensure that there is agricultural growth and development in the province with the focus on improving agricultural productivity, technical empowerment, poverty alleviation, income generation, and job creation throughout the agricultural sector. Subsequently development programs which include amongst others CASP have been put in place as catalysts in the realization of the set objectives.

The Agricultural Producer Support and Development Chief Directorate is in the process of implementing this action-oriented program (CASP) throughout the province. The program aims to provide agricultural support services to farmers through district services, to ensure that there is sustainable management of agricultural resources, sustainable agricultural development and meaningful contribution to the economy of the North West Province.

It is against this background that the Department of Agriculture and Rural Development (DARD), through its Agricultural Producer Support and

Development (APSD) seeks to appoint competent and suitably qualified service providers to supply deliver and install solar system and heater fans for Boons Hydro Fresh Produce in Boons, Bojanala Platinum District.

2. REFERENCE TO NATIONAL TREASURY GUIDELINES

Supply Chain Management "a guide to accounting officers/authorities February 2004" Clause 4.6 "To stimulate the promotion of BEE and development of HDIs and SMMEs, it is suggested that institutions should advertise in the local media for businesses to bid as potential suppliers for goods and services to be obtained by means of quotations. The accounting officer/authority may further categorise the suppliers according to the goods/services they are capable of supplying. Quotations for the required goods/services should be obtained from all potential suppliers in the specific category or on a rotation basis from various suppliers".

This Request for Bids (RFB) documents details the scope of work with regard to the supply delivery and installation of solar system and heater fans at Boons Hydro Fresh Produce in Kgetlengrivier local Municipality within Bojanala Platinum District. The RFB incorporates, as far as possible, the tasks and responsibilities of the potential service provider, required by the North West Department of Agriculture and Rural Development (NW-DARD) in terms of supply delivery and installation of solar system and heater fans.

NW-DARD has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under section 76 of the Public Finance Management Act 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

3. PURPOSE OF THIS RFB

The purpose of this Request for Bids (RFB) is to invite interested and qualified service providers to submit competitive bids for the supply delivery and installation of solar system and heater fans at Boons Hydro Fresh Produce in Kgetlengrivier local Municipality under Bojanala Platinum District.

4. APPOINTMENT TERMS

- 4.1. The successful service provider will be appointed for the duration of the project as outlined in the Service Level Agreement (SLA).
- 4.2. Once bids have been received, evaluated, and adjudicated upon, only the successful bidder will be approached to enter into a formal agreement with the Department.
- 4.3. **It is a requirement from the successful bidder to Sub-Contract a minimum of twenty percent (20%) towards any of the following:**

4.3.1 Local Enterprises owned by Women, Youth or People with Disability. (This requirement will form part of the Site Service level agreement before Purchase Order is issued to the successful bidder)

5. LOCALITY

The site for the supply, delivery and installation of solar system and heater fans at Boons Hydro Fresh Produce situated in Kgetlengrivier Local Municipality under Bojanala Platinum District. Location of the site is as follows:

Site situated at: **Portion 21 of the farm Onverwacht, 362 JQ OA17046 North West 0334, Boons.**

Co-ordinates: **S: - 25° 53' 10" E: 27° 11' 13"**

6. PROJECT DESCRIPTION

The project work execution is to be prepared and implemented in four phases as described below:

- 6.1 **Regulatory** (obtaining of water and electricity authorisation etc)
- 6.2 **Site establishment.**
- 6.3 **Supply of all materials and equipment.**
- 6.4 **Installation of the facility.**
 - 6.4.1 Foundations and concrete work.
 - 6.4.2 Solar system.
 - 6.4.3 Heating system.
 - 6.4.4 Electrical installation.

6.5 This contract covers **all 4 phases.**

7. SCOPE OF WORK

The following are the detailed scope of works for the project. Details of these works are specified in **Project Technical Specifications**. This contract entails the regulatory, site clearance, supply of all materials and equipment installation.

7.1 Preparatory

7.1.1 **Regulatory:** verification of all municipal by-laws and authorization before construction.

7.2 Implementation

7.2.1 Site establishment.

7.2.2 **Earthworks for:** support structure, container foundations and trenching, etc;

7.2.3 Supply and delivery of all **building materials and equipment** to site,

7.2.4 **Installation of all sub/super structure:** PV cells, battery, invertors etc to specifications;

7.2.5 Installation of **finishes** to the structure and related areas as specified.

8. SPECIAL CONDITIONS

8.1 Where an entity forms a joint venture or a consortium with (an) other entities(y), the parties to this agreement must express in the bid proposal what

aspect of the scope of work each party would be adding value to and what percentage each party will receive in terms of the proceeds flowing from any assignment.

- 8.2 All prospective bidders (s) shall have to treat all available data provided by the Department in the process as strictly confidential and not for any form of distribution or use unless an express written approval is obtained from the Head of the Department in advance.
- 8.3 Successful bidders must be able to establish site within one (1) week and actual work to start within two (2) weeks from receipt of an official order.
- 8.4 The service provider who meets the minimum requirements in terms of the evaluation will be considered for appointment.

9. LOGISTICAL ARRANGEMENTS

- 9.1 The prospective bidders will be expected to complete SBD documents when submitting bids. The quotation or bid will include the details of the assignment and will be evaluated in terms of Preferential Procurement Policy Framework Act 05 of 2000 and Regulations of 2017.
- 9.2 Once appointed, an order number will be issued to the service provider which must be used in all future financial related correspondence.
- 9.3 No up-front payments will be made. DARD will pay for satisfactory completion of work within 30 days of submission of the invoice.

10. TIME FRAMES

The successful bidder will be expected to establish site within one (1) week of appointment. If there is a delay, reasons should be provided and agreed upon by both parties. The timeframe for the completion of different activities will be specified in the SLA and must be strictly adhered to. Delivery schedule must be submitted together with the quotations.

11. CANCELLATION

DARD reserves the right to cancel the contract if the service provider fails to adhere to the conditions of the contract.

- 11.1. On termination of the contract for whatever reason, the service provider shall on demand, deliver, without the right to retention all documents and information gained in terms of this agreement.

12. CONTRACTUAL ARRANGEMENTS

12.1 A standard agreement will be drawn up detailing all contractual obligations and it will be expected of the service provider to sign such with the Department.

The Department will become the owners of any intellectual property that may be a product or an outcome of this project.

13. EVALUATION METHODOLOGY

DARD has set minimum standards (Gates) that a bidder needs to meet to be evaluated and selected as a successful bidder(s).

- 13.1 The minimum standards consist of the following:

- 13.1.1 Pre-Qualification Criteria (Phase 1) – Evaluation on legal requirements

- 13.1.2 Technical Evaluation Criteria (Phase 2) – Bidder(s) must attain a minimum of 70 out of 100 points to be in the list of approved service providers. This might include physical visits.

- 13.1.3 Preference Points (Phase 3) – Price and B-BBEE

13.2 Phase 1- Evaluation on Mandatory requirements:

This phase will entail initial screening of bid responses received at close of bid. During this phase bid responses are registered and to ascertain the number of bid responses received before the closing date and time and to verify if the bidders submitted all mandatory requirements.

The prospective bidders are required to ensure that original bid documents are completed and signed where applicable and ensure that the following documents are submitted:

13.2.1 Tax Pin

13.2.2 In case of Joint Venture, a consolidated Original Valid Tax Pin should be submitted and a consolidated Broad-Based Black Economic Empowerment (BBBEE) Status Level Certificates.

13.2.3 Proof of a Valid CIDB Grade (3EB/3EP) Certificate or Higher

NB: Bidders who do not submit B-BBEE certificates or Sworn Affidavits will not be disqualified but shall not claim points for B-BBEE.

13.2.4 Recent Centralized Supplier Database report.

13.2.5 Bidding Company must submit valid proof of registration with electrical contractors of South Africa (ECASA)

13.2.6 Certified copy of SANAS Broad-Based Black Economic Empowerment (BBBEE)/DTI approved Broad-Based Black Economic Empowerment (B-BBEE)/Affidavit signed by commissioner of oath

During this stage, bids that do not comply will be disqualified, and will not be considered for the second stage of evaluation i.e., technical/functional capability and ability.

13.3 Phase 2 – Technical / functional Requirements:

This evaluation will be based on the responses using the resource requirements i.e., equipment and machinery, previous experience, and financial strength. The threshold values set for the qualification of bid is 70 % or 70 out of 100 and all the bidders who score below this score will be eliminated.

13.3.1 The bidder(s)' information will be scored according to the following points system:

NO.	CIRTERIA	MAXIMUM SCORE
1. Experience on similar job and Proven Track Record	Proof of experience and expertise in the Field and proven track records. To this effect, Bidders are required to attach completion certificates from previous contracts.	80
1.1 Company Profile	A Comprehensive Organizational Profile (Maximum three Pages) <ul style="list-style-type: none"> Submitted = 20 No Submission = 0 	20
1.2 Value of Projects	The contractor to provide a list of all previous similar projects bidding undertaken in the last 5 years accompanied by a completion certificate/s signed by Project Manager as proof with the following values: <ul style="list-style-type: none"> Above R 3 000 000 = 30 R 2 000 001-R2 999 999 = 20 R0 – R2 000 000 = 10 	30
1.3 Number of Projects	Previous Track Record of similar work done by the contractor in the last five years: (Proof of completion certificates must be attached) <ul style="list-style-type: none"> completion certificate = 10 completion certificates = 20 More than 3 completion certificates = 30 	30
2.Project Implementation Plan	Delivery Schedule - Construction programme must be submitted together with the quotations indicating that the works will be completed within 60 days (each site should have its own team). <ul style="list-style-type: none"> Delivery within the stipulated period submitted = 20 Delivery not within the stipulated period submitted = 0 No submission = 0 	20
TOTAL POINTS	NB: Minimum Threshold: Bidders scoring less than 70 points during this stage would not be considered for the next stage of evaluation	100

Kindly note that the shortlisted bidders may be subjected to site inspections where the information submitted will be verified.

13.4 Phase 3 – Price and BBBEE Level of Contributor Points

This stage will entail evaluating price and BBBEE and will only be done once quotes have been requested from approved service providers. The criteria will depend on the specific work / service to be undertaken.

14. DEPARTMENTAL RIGHT

The Department reserves the right to award the bid in its entirety to one successful bidder or to award individual units or structures to various bidders.

15. DURATION OF THE CONTRACT

The successful bidder/s will enter into a once off contract with the department clearly stipulating terms and conditions of the agreement. The required deliverables will be communicated and agreed upon with the bidder. The contracted bidder/s will be legally bound to deliver within the set duration of the contract.

16. Enquiries

Technical Enquiries: Mr KK Moloko, 068 650 9369 -

KholofeloM@nwpg.gov.za

Project Leader Enquiries: Ms C Kolanisi, 072 814 0710 –

Ckolanisi@nwpg.gov.za

17. PROJECT TECHNICAL SPECIFICATIONS

IMPORTANT:

The Contractor should consult the Engineer for advice in case the Drawings or Bill of Quantities were to contradict in any way any of the specifications listed below.

17.1 PRELIMINARIES AND GENERAL

The Contractor is to note that all insurances (UIF, workman's compensation, works, public liability etc.); site and equipment safety; site establishment and security; services (water and electricity); testing of materials and any specialist services are for the Contractors responsibility and attention throughout the contract duration until handover of the project. The Department reserves the right to stop progress of the works until these conditions are complied with.

17.2 PROJECT SPECIFICATIONS

PS 17.2.1 Details of Contract

- 17.2.1.1 Supply and delivery to site of all materials and equipment required for the work.
- 17.2.1.2 Installation of all **sub and super structure**, PV cells, battery, invertor, etc.
- 17.2.1.3 Connection and installation of all the electrical works.

PS 17.2.2 Preliminaries and General

The Contractor is to note that all site and equipment safety; site establishment and security; services (water and electricity); testing of materials and any specialist services are for the Contractors responsibility and attention throughout the contract duration until handover of the project. The Department reserves the right to stop progress of the works until these conditions are complied with.

PS 17.2.3 Earthworks and Site Preparations

Normal regulations regarding safety, municipal by-laws, contamination of water sources, erosion, siltation etc. will still apply. All installations and construction work must be according to the following SABS:

- 17.2.3.1 Site preparations & establishment: SABS 1200 AA (4);
- 17.2.3.2 Setting out of works: SABS 1200 AA (5.1.1);

- 17.2.3.3 Permissible deviations: SABS 1200 GA (6.4) Degree of accuracy II for all bases;
- 17.2.3.4 Restricted Excavations: SABS 1200 AA (5);
- 17.2.3.5 SABS 1200 DA (5.1; 5.2.2);
- 17.2.3.6 SABS 1200 LB: Bedding (Pipes);
- 17.2.3.7 SABS 1200 GA: Concrete small works; and
- 17.2.3.8 SABS 1200 DA (Earthworks: small works).
- 17.2.3.9 The site must be cleared and stripped of all plant materials, roots and topsoil prior to site levelling.
- 17.2.3.10 The site is to be levelled prior to any construction. This includes excavation of in situ material to provide a level platform and well-compacted subbase for the structure.
- 17.2.3.11 Material excavated and suitable for backfilling will be placed in even, thin layers and compacted with thickness applicable to the compaction method/machinery used.
- 17.2.3.12 Compaction of the site shall take place at optimum moisture content (OMC) to a maximum dry density of at least 95% of Mod. AASHTO. The platform is to be **inspected** prior to the pouring of any concrete.

PS 17.2.4 Materials and Construction

All materials must conform to SABS specifications for the products. This includes all items such as bricks, brick reinforcement, damp proofing, plumbing and drainage etc. All construction works must conform to the applicable standard specifications and installation requirements as per National Building Regulation (NBR) requirements and manufacturers recommendations.

PS17.2.5 Standard Concrete Mixes

All concrete work purpose shall be ready mix, and concrete strength test certificates to be provided. For situation where the contractor shall not be able get a ready mix, the following prescribed mix shall be used; however, a mechanical concrete mixer shall be used, and the contractor shall provide all concrete strength test certificate.

250 micron "consol plastic USB green" to be placed before casting concrete on the slab.

Concrete Class	Estimated Minimum Compressive Strength in MPA at 28 Days	Maximum Nominal Size of Coarse Aggregate in mm	Proportion of Constituents		
			Cement (Parts) ¹	Fine Aggregate (Parts)	Coarse Aggregate (Parts)
A	10	37,5	1 (= 2 bags)	4	5
B	15	19,0	1 (= 2 bags)	3	4
C	20	19,0	1 (= 2 bags)	2½	3½
D	25	19,0	1 (= 2 bags)	2	3
E	30	19,0	1 (= 2 bags)	2	2½

PS 17.2.6 Finishes to In-Situ Concrete

The structure is to have **Class U1 Ordinary Finish**, immediately after placing, the concrete shall be finished rough by screeding with the edge of a wooden board of straight and true line and working between guides set accurately to level. No mortar shall be added, and noticeable surface irregularities caused by the displacement of coarse aggregate shall be made good by rescreening after removing or tamping down the offending aggregate.

PS 17.2.7 Foundations

17.2.7.1 All foundations are to be on suitable, well compacted material (to extend through any fill material where applicable and well compacted to minimum 95% Mod AASHTO). **The foundation trenches are to be inspected prior to the pouring of any concrete.**

17.2.7.2 Final foundation levels 100mm above NGL and to correspond to the floor slab level.

PS 17.2.8 Floor Slabs

The soil layer under the floor slab is to be well and uniformly compacted. Backfilling & soil compaction to be according to SABS 1200 DA (3.2; 5.2.3.2). The floor slabs are to be on a leveled base and well compacted to minimum 95% Mod AASHTO – Contractor to supply test results proving compaction results – Department Engineer to be notified of test and observe test procedures. The floor subbase is to be inspected prior to the pouring of any concrete. **The base is to be inspected prior to laying of the damp proofing or pouring of any concrete.**

PS 17.2.9 Electrical

17.2.9.1 All works to be done by licensed electrician and certificate of compliance (CoC) must be submitted.

17.2.9.2 All installations must be according to BoQ per subject.

18 BILL OF QUANTITY

PREAMBLE

- 18.1 The General Conditions of Contract, the Special Conditions of Contract, the Specifications (including the Project Specification) and the Drawings are to be read in conjunction with the Schedule of Quantities.
- 18.2 The Bidder is at liberty to insert a rate of his own choosing for each item in the schedule and his attention is drawn to the fact that the Contractor has the right, under various circumstances, to payment for additional works carried out and that the Engineer is obliged to base his assessment of the rates to be paid for such additional work on the rates inserted in the schedule by the Contractor.
- 18.3 Any additional work that the contractor deems necessary must first be approved in writing by the site engineer.
- 18.4 Unless otherwise stated, items are measured net in accordance with the Schedule of Quantities and Drawings and no allowance has been made for waste.

- 18.5 The prices and rates to be inserted in the Schedule of Quantities are to be the full inclusive prices to the Employer for the work described. Such prices shall cover the cost of all general risks, liabilities and obligations set forth or implied in the documents on which the Bid is based.
- 18.6 A price or rate is to be entered against each item in the Schedule of Quantities whether the quantities are stated or not. An item against which no price or rate is entered will be covered by other prices or rates in the schedule and no payment for that item will be made.
- 18.7 Items and requirements indicated on any drawing but not specifically mentioned in the schedule of quantities must be included in the total pricing. No additional payment for such items or requirements will be made.
- 18.8 The Bidder must price each item in the Schedule of Quantities in **BLACK INK**.
- 18.9 All prices and rates shall **include** value added tax (VAT).
- 18.10 Supply, delivery and functional installation.

PRICING SCHEDULE

ITEM No.	DESCRIPTION	UNIT	BILL		
			QTY	RATE	AMOUNT
1.	Site establishment and removal	Sum	1		
2.	Site clearing and levelling -Clearance of the area of the site to be built upon of all grass, weeds, shrubs, debris, etc., including grubbing up all roots, scuffing up as required and carting away all the vegetation and debris. Level area on which the panels will be placed	M ²	500		
Material (Supply, Delivery and Install) <ul style="list-style-type: none"> • The contractor is to insure functional installation of the system. • Installations to be done by a qualified electrician 					

PV CELLS					
3.	Supply, delivery, and installation of 540 W Canadian or equivalent monocrystalline solar panels.	No.	90		
PV INSTALLATION KIT					
4.	Supply, delivery, and installation of 1.8m pitched (steel) support structure at 25° - 35° north facing, rail mounting, rail connectors, panel mid, end clamps and MC4 connectors.	Sum	1		
BATTERY BANK					
5.	Pylon UP500 (or equivalent) 4.8Kw, 48V lithium-ion battery -inclusive of battery cabling and cable lugs	No.	21		
INVERTER					
6.	Sunsynk 12Kw (or equivalent) hybrid inverter inclusive of the charge controllers	NO.	5		
DC COMBINER ENCLOSURE					
7.	DC Enclosure, DC Fuses, Fuse Holders, SPD, Earth bar,	Sum	1		
8.	Trench 600 mm depth	M	36		
INVERTER AC DISTRIBUTION EQUIPMENT					
9.	Inverter changeover DB, Cabling 36 m, Earth leakage, SPD, CBs	Sum	1		
HEATERS					
10.	Supply, delivery, and installation of 5kW industrial fan electric heaters with stainless steel -heating area of 48m ² and air output of 411m ³ -adjustable thermostat control, overheat protection with time delay -to be installed on the existing tunnels and power supplied from the steel container	No.	4		
COC					
11.	Certificate of compliance must be handed in with completions (Electrical installation)	No.	Sum		
MARINE STEEL CONTAINER					
12.	Marine-Grade Steel Containers 3m x 2.5 m x 2.5 m inner clad with 16mm press wood. - placed on 25Mpa reinforced concrete slab (100mm above NGL) -with secure air vent on sides	Sum	1		

-include four 350mm galvanised tornado roof ventilators and lockable -Completed structure must be painted white with SABS approved roof paint.				
TOTAL BILL				

ITEMS	AMOUNT (R)
Total bill	
10% Contingencies	
Delivery Costs	
Installation Costs	
Sub total	
15% VAT as a function of total price	
Grand Total	

19 Conditions of Contract:

- 19.1 All the materials for the project must SABS approved.
- 19.2 Only actuals will be paid.
- 19.3 Duration of project is two (02) months.
- 19.4 All Installation and Construction Works to be according to SABS Standards.
- 19.5 SBD 6.2. must form part of the bid document: Sector Designation - Local Content

20 South African Technical Specification (SATS) 1286:2011, Local content Declaration template (Annexure C, D & E) and the Guidance Document for the Calculation of local content is accessible to all potential bidders on the DTI official website: (<http://www.dti.gov.za/industrialdevelopment/ip.jsp>) at no cost.

21 This bid will be evaluated in terms of the Local Content and production requirements for different categories of Steel Products and Components for Construction as follows:

21.1 Only locally manufactured products with the minimum stipulated thresholds will be considered. This bid will be evaluated in terms of the Local Content and production requirements for different categories of Medium Voltage (MV) Motors and associated accessories as follows:

Fully Built Unit and components and manufacturing processes against which the overall local content must be discharged, per Medium Voltage (MV) motor			
Medium Voltage electric motor	185kW to 20 000kW and greater than 1 000 Volts	Casting or Frame Fabrication	100%
		Fabrication and winding of the Stator Core	100%
		Fabrication and winding of the Rotor Core	100%
		Accessories	100%
		Assembly and testing of the fully-built unit	100%
		Total Minimum Local Content (per unit)	70%

21.2 This bid will be evaluated in terms of the Local Content and production requirements for different categories of Electrical Cable Products as follows:

Power Cables: Cables used for power transmission

Cable Products	Stipulated Minimum Threshold
Low Voltage	90%
Low Cost Reticulation	90%
Medium & High Voltage	90%
ACR	90%

List of Specific Cables designated under this instruction note:

Category	Type
Low Voltage	Housewire, Flat Twin and Earth, Surface Cable, Rip Cord, Cable Tyre, Bells Cable, 1.5mm ² – 16mm ² , 2 – 37 core, Fire Retardant, Low Halogen and Low Smoke Zero Halogen (LSCH) Main Cable 25mm ² - 100mm ² , 1 - 4 cores, Fire Retardant, Low Halogen and Low Smoke Zero Halogen (LSOH), Flexible Cables, Aerial Cables, ACSR, Split Concentric & Aerial Bundled Conductor (ABC)

Category	Type
Medium Voltage	3,3kV – 22kV, 1 -3 cores, Cross Linked Polyethylene (XLPE) and paper insulated Lead Covered (PILC), Fire Retardant, Low Halogen and Low Smoke Zero Halogen (ELSOH)
High Voltage	132kV, Single Core, Corrugated Seamless Aluminium (CSA) Sheathed

21.3 This bid will be evaluated in terms of the Local Content and production requirements for different categories of Steel Products and Components for Construction as follows:

Description	% Local Content
A. Steel Products and Components for Construction : Steel Value-added Products	100%
1. Fabricated Structural Steel	100%
2. Joining/Connecting Components	100%
3. Frames	100%
4. Roof and Cladding	100%
5. Fasteners	100%
6. Wire products	100%
7. Ducting and Structural pipework	100%

8.	Gutters, downpipes, and Lauders	100%
9.	Plates	100%
10.	Sheets	100%
11.	Galvanised and Colour Coated Coils	100%
12.	Wire Rod and Drawn Wire	100%
13.	Sections	100%
14.	Reinforcing bars	100%

21.4 This bid will be evaluated in terms of the Local Content and production requirements for different categories of Cement Sector as follows:

Cement Products	Stipulated Minimum Threshold
Cement Sector	100%

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF (DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT)			
BID NUMBER:	13 DARD 08/2022	CLOSING DATE:	5 September 2022
		CLOSING TIME:	11:00
DESCRIPTION	TERMS OF REFERENCE FOR SUPPLY, DELIVERY AND INSTALLATION OF SOLAR SYSTEM AND HEATER FANS FOR BOONS HYDRO FRESH PRODUCE IN KGETLENG RIVIER LDC, BOJANALA DISTRICT		
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)			
Department of Agriculture and Rural Development			
Agricentre Building			
Corner Dr. James Moroka and Stadium Road			
Mmabatho			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Mr. S Mothibi	CONTACT PERSON	Ms Kgaugelo Madira
TELEPHONE NUMBER	018 389 5053	TELEPHONE NUMBER	068 063 2914
FACSIMILE NUMBER	N/A	FACSIMILE NUMBER	N/A
E-MAIL ADDRESS	smothibi@nwpg.gov.za	E-MAIL ADDRESS	kMadira@nwpg.gov.za
SUPPLIER INFORMATION			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
---	---	---	---

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

YES NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE ENGAGED WITH NEGOTIATIONS BY THE CSIR THAT MIGHT RESULT IN THE ISSUING OF A PURCHASE ORDER.
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE CSIR TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

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

(Proof of authority must be submitted e.g. company resolution)

DATE:.....

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise,

employed by the state?

YES/NO

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

2.2

Full Name	Identity Number	Name of State institution

Do you, or any person connected with the bidder, have a relationship with any person

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?
YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, (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.

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.

- 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 DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the **...80/20...** Preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	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 quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
 - 1) Status level certificate issued by an authorized body or person; B-BBEE
 - 2) affidavit as prescribed by the B-BBEE Codes of Good Practice; A sworn
 - 3) requirement prescribed in terms of the B-BBEE Act; Any other
- (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 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 or 90/10

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

5. BID DECLARATION

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

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

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

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

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- What percentage of the contract will be Subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE
(Tick applicable box)

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

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- 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 bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) 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:

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - \frac{x}{y}] * 100$$

Where

x is the imported content in Rand

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

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

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

1.6 A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

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

- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

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

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

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286.2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

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

- 5.1. If yes, provide the following particulars:

- (a) Full name of auditor:
- (b) Practice number:
- (c) Telephone and cell number:
- (d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

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

LOCAL CONTENT DECLARATION

(REFER TO ANNEX B OF SATS 1286:2011)

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

IN RESPECT OF BID NO.

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

NB:

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

2. Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
 - (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

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

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

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

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose

contract documents and information; inspection.

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) bank guarantee or an irrevocable letter of credit issued by a reputable bank
 - (b) located in the purchaser's country or abroad, acceptable to the

purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or a cashier's or certified cheque

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 fulfilment 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

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

performance

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 cancelling 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) 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.

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.