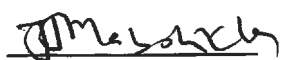


BID ADVERTISEMENT FORM

Bid description	APPOINTMENT OF SERVICE PROVIDERS FOR SUPERVISION AND ELECTRONIC MONITORING SERVICES OF LEARNER TRANSPORT SERVICES FOR THE DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT IN THE FOUR DISTRICTS OF THE NORTH WEST PROVINCE FOR A PERIOD OF THIRTY-SEVEN (37) MONTHS.										
Bid number	CS&TM: 01/25/26										
Name of institution	COMMUNITY SAFETY & TRANSPORT MANAGEMENT										
The place where goods, works or services are required	THE NORTH WEST PROVINCIAL DEPARTMENT OF COMMUNITY SAFETY - SAFETY HOUSE, 31-34 MOLOPO ROAD, MAHIKENG NORTH WEST PROVINCE										
Opening date	Date	1	1	0	7	2	0	2	5	Time	15:00
Closing date	Date	0	4	0	8	2	0	2	5	Time	11:00
Contact details	Postal address	N/A									
	Physical address	Safety House 31-34 Molopo Road. Mahikeng (Main Entrance) Security Check Point.									
	Tel	018 200 8184 / 018 200 8089/8357									
	Fax	N/A									
	E-mail	Thelmabogatsu@nwpg.gov.za / stevetladi@nwpg.gov.za Sediri@nwpg.gov.za									
	Contact person	Ms T. Bogatsu/Mr S. Tladi/Mr S. Motshabi									
Where bids can be collected	DEPARTMENT COMMUNITY SAFETY & TRANSPORT MANAGEMENT AT TIRELO BUILDING, GROUND FLOOR, OFFICE NUMBER 035, ALBERT LUTHULI DRIVE A NON-REFUNDABLE DEPOSIT OF R200.00 IS PAYABLE IN CASH FOR EACH FOR EACH DOCUMENT, HOWEVER, BIDDERS ARE ADVISED TO DOWNLOAD THE DOCUMENT FROM E-PORTAL SYSTEM ON WWW.ETENDER.GOV.ZA										
=Where bids should be delivered	THE NORTH WEST PROVINCIAL DEPARTMENT OF COMMUNITY SAFETY - SAFETY HOUSE, 31-34 MOLOPO ROAD, MAHIKENG (MAIN ENTRANCE) SECURITY CHECK POINT.										
Category (refer to annexure A)	General										
Sector	Government										
Region	NORTH WEST PROVINCE										
Compulsory Briefing Session	Yes / No	YES									
	Date and Time	17 JULY 2025					10H00 AM				
	Venue	DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT - SAFETY HOUSE, 31-34 MOLOPO ROAD, MAHIKENG									
	Link	N/A									



Mr F.T Mabokela

Director: SCM



dcstm

Department:
Community Safety and Transport Management
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



SUPPLY CHAIN MANAGEMENT

Tirelo Building, Albert Luthuli Drive,
Mafikeng, 2745
P/Bag X 19 Mmabatho 2735
Tel: +27 (18) 200 8057/8

Ref: CS&TM: 01/25/26

INVITATION TO BID

APPOINTMENT OF SERVICE PROVIDERS FOR SUPERVISION AND ELECTRONIC MONITORING SERVICES OF LEARNER TRANSPORT SERVICES FOR THE DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT IN THE FOUR DISTRICTS OF THE NORTH WEST PROVINCE FOR A PERIOD OF THIRTY-SEVEN (37) MONTHS.

DATE ISSUED: 11 JULY 2025

CLOSING DATE: 04 AUGUST 2025

TENDER BOX

**DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT OFFICE
SAFETY HOUSE 31-34 MOLOPO ROAD, (MAIN ENTRANCE)
SECURITY CHECK POINT
MAHIKENG**

Name Of Bidder		Bidder VAT registered
Total bid price (Vat where applicable)		YES
(brought forward from SBD 1)		NO

MR. F.T MABOKELA

DIRECTOR: SUPPLY CHAIN MANAGEMENT

11 / 07 / 2025

DATE

"Let's Grow North West Together"



1. INTRODUCTION

Appointment of service providers to provide supervision and electronic monitoring services for learner transport to the Department of Community Safety and Transport Management in the four districts of the North West Province for a period of thirty seven (37) months.

2. BACKGROUND

The right to basic education is embedded in terms of section 29 of the Constitution of the Republic of South Africa. The Bill of rights requires the state to provide or make educational facilities available to all children in South Africa. It is unfortunate that a large number of school going children in South Africa have to travel long distances to reach the nearest school, at times they walk for distances of more than 5km per single trip. Lengthy travel times subject learners to late arrival, fatigue, lack of concentration and various safety hazards. The combination of these consequences and impacts from socioeconomic issues including but not limited to poverty, grade repetition, low quality education, family structure and cultural stereotypes may ultimately result in school dropout.

The objective of this bid is to appoint a service provider to offer supervision and electronic monitoring services for a period of Five (05) years. The Department is in the process of reviewing its payment processes towards scholar transport contracts and reinventing work practices to align with its objectives and attainment of value for money. This is an initiative to assess the status quo and close gaps, create new and better ways of working, and drive true innovative operations within the organisation.

This overall consequence is particularly prevalent in rural areas where there is a lack of infrastructure. Learners may be forced to abandon school since it is impractical to walk to and from school and or the cost of travelling is too expensive. Recognising the responsibility of government to uphold children's right to basic education, government introduced the scholar transport programme. The purpose of the programme is to increase access to education through the provision of transport services to learners who travel long distances to reach the nearest school. This programme was set up as a joint function of national and provincial government where the national sphere is responsible for policy development while the provincial sphere is responsible for programme implementation.

In line with the above constitutional requirement, The Department of Community Safety and Transport Management in collaboration with the Department of Education appoints learner transport operators to provide learner transport services in the four (04) Districts of the North West Province.

There are currently four hundred and forty-six (446) bus operators transporting 64 450 learners in the four (4) districts of the province. The collective number of buses is approximately seven hundred and forty-four (744). These numbers are subject to change either upwards or downwards depending on the needs as and when required.

The table below outline the operational information of the learner transport programme in the Province.

DISTRICT	ROUTES	VEHICLES
BDM	170	227
DKKDM	105	123
NMMDM	177	251
RSMDM	60	143
TOTAL	512	744

NB: The number of vehicles and routes might change

3. SCOPE OF WORK

3.1. Problem Statement

The payment of the contracted learner transport operators is based on rate per kilometre basis. In order to ensure that there is value for money, there is a need for effective monitoring of the learner transport system in the Province.

However, the Department does not have the adequate system in place to verify the kilometres operated, monitor service provided and validate the claims received from the operators. Instead, the Department relies on validations made by principals and ad-hoc monitoring which may be subjected to human errors, hence there is a need to introduce both physical and electronic monitoring systems for learner transport buses to mitigate such errors and ensure value for money.

Strengthening of learner transport provision, the Department seeks to appoint the services of a suitable and reputable supervision and electronic monitoring firm to monitor learner transport through physical and electronic means within the four districts of North West Province.

3.2 Statement of Work


Appointment of service providers to provide supervision and electronic monitoring services for learner transport for Department of Community Safety and Transport Management in the four (04) districts of the North West Province for a period of thirty seven (37) months.

4. Main Deliverables

Supervising and Monitoring Firms (SMF)

The following are main deliverables to be performed by the Supervising and Monitoring Firms (SMF)

- a) Installation of tracking devices and daily monitoring of all contracted vehicles through an approved and accredited vehicle/fleet monitoring system
- b) Provide learner statistics for each route provided with learner transport
- c) Monthly review of operator's records including any monitoring or audits conducted by the operator.
- d) Maintain independent reviewing, monitoring and auditing to verify compliance by the operators.
- e) Prepare monthly and quarterly reports in relation to any of the review or monitoring carried out, which, if required, would include recommendations for steps that should be taken by the operator.
- f) The envisaged electronic system should be able to capture the following minimum requirements:
 - Driver name, driver license, PRDP, vehicle registration number.
 - Vehicle location: location name and date time when the vehicle reached the location.
 - Last update time of the vehicle detail through Geo fencing
 - Vehicle running information- Actual contracted kilometre travelled, departure time, arrival time of each trip and late and early trips, to and from school.
 - Average travel time per route
- g) Accurate data trip to determine route viability
 - Actual kilometres and mapping operated
 - Driver behaviour (speed, harsh breaking and other traffic violation)
 - Notification of expiring vehicle documentation i.e road worthy certificate and licence disc
 - Breakdowns
 - Penalties incurred, did not Operate (DNO)
 - Any route deviations



- h) The system should be able to provide a detailed summary reports daily, weekly and monthly, a playback functionality and other filters that can be used to view and retrieve information.

4.1 SPECIFICATION OF ELECTRONIC MONITORING SYSTEM

The monitoring system is a software that distribute vehicles across optimizing routes, create and sequence stops and track location and performance in real time.

- Map efficient routes and trips for on-time performance
- Geofence area to avoid intersected paths
- Track each trip's actual KM operated and duration
- Information on learners boarding the buses per route.

BE ABLE TO ISSUE REPORTS THAT:

- Provide on kilometers operated per route to determine viability
- Report of all contracted routes linked to an operator
- Provide actual departure and arrival time of each trip/ late trip and early departure per vehicle contracted

Details of trips not operated and reasons thereof

- Calculate penalties incurred for electronic based transgressions.
- Driver behavior e.g. Speeding, harsh braking and route deviations
- And any other report useful for decision making by the Department.

4.2 Administration of the Learner Transport contracts

The administration of the supervision and electronic monitoring of contracts involves a broader project management process and proper administration of compliance of learner transport operators contracted. The SMF will conduct monitoring on routes and destinations (schools) including sleeping grounds. The SMF must also undertake physical inspections on vehicles through suitably qualified staff on a weekly basis in order to identify defects using appropriate standards. Any identified defects should be formally reported to the department.

4.3 Certification of Operators monthly claims

The learner transport operators are required to submit claims on a monthly basis to the SMF for the total approved kilometres operated in accordance with the approved service schedules under these contracts. The certification will among others include the following:

- Authenticity of total kilometres and trips operated for each month through electronic monitoring system;
- Authenticity of the accuracy of the kilometers as per the approved service schedules to be utilised in the ultimate calculation of the claim;
- Authenticity of the correct rates utilised in calculating the claim for the month as per the approved formula.

4.4 Meetings

Frequently scheduled meetings are required at different levels to ensure a proper project management implementation process. Meetings need to be held at different levels to cover a broader spectrum of all stakeholders.

- **Contract Meetings:** Discussion of all operational aspects of a particular month scheduled between the Employer (DCSTM) and SMF.
- **Ad-hoc meetings:** Discussion of operational aspects between the operator (s), SMF and the Department as and when the need arises.

4.5 Electronic Monitoring Services

In addition to SMF providing the services in line with the contract, the SMF shall be required to monitor 100% of all the trips operated by the installation of the electronic monitoring system. This involves the tracking of the entire bus fleet of the contracted operators through a specialised device that will be installed on the buses for the period of the contract.

The electronic tracking device must fully comply with the requirements of the Department. In the event of poor or no network, the device must be able to record events that shall be accessed later upon network restoration. The electronic management system must be able to provide multiple functions that can generate daily, weekly and monthly reports to provide details of the route operated by each contracted learner transport operator's buses and be able to provide historic and real-time information.

4.6. Technical Requirements

Electronic monitoring system to be used must be accredited by Independent Communications Authority of South Africa [ICASA].

5. BRIEFING SESSION

There shall be a compulsory briefing session.

Date : 17/07/2025

Venue : 31-34 Molopo Road, Safety House

Time : 10:00

The purpose will be to explain the requirements of the bid and completion of bid form

6. Contact Persons:

For Clarity on bidding form:

Ms T Bogatsu - 018 200 8184 at Thelmabogatsu@nwpg.gov.za

For Clarity on Specifications:

Mr. S Motshabi – 018 200 8089 – sediri@nwpg.gov.za

Potential bidder(s) must reduce all telephonic enquiries to writing and send them to the above email addresses.

7. DURATION OF THE CONTRACT

The successful service providers will be appointed for a period **of thirty seven (37) months**

8. TIMELINE OF THE BID PROCESS

The validity period is 120 days after closing of the bid. The project timeframes of this bid are set out below:

Activity	Date due
Advertisement of the bid in the: <ul style="list-style-type: none">- Government Tender Bulletin;- departmental website and- National Treasury Tender Portal	11/07/2025
Distribution of bid documents on the departmental website	11/07/2025

Compulsory briefing session	17/07/2025
Bid closing date	04/08/2025

***Dates subject to change.**

All times in this document are South African Standard Time. Any time or date in this bid is subject to change at the Department's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of the department to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The bidders accepts that, if the Department extends the deadline (the closing date) for bid submissions for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

9. CENTRAL SUPPLIER DATABASE [CSD]

- 9.1 Bidders must be registered as a service provider on the Central Supplier Database [CSD]. If you are not registered proceed to complete the registration of your company prior to submitting your bid. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database are updated and valid.
- 9.2 Bidders are also required to submit their CSD Registration "Summary Report".
- 9.3 Bidders must ensure that their tax information on Central Supplier Database [CSD] is in good standing and submit a Valid Tax Clearance Certificate or valid tax compliance status pin.
- 9.4 Bidders should further note that the Central Supplier Database (CSD) will be utilized to confirm compliance to tax and other related matters. It is therefore the Service provider's responsibility to ensure compliance in all respects.

10. INSTRUCTION TO BIDDERS

- 10.1 Bid must be properly packaged, clearly marked CS&TM: 01/25/26 and deposited in the tender box on or before the closing date and time at the Department of Community Safety and Transport Management, situated at:

Physical address

Department of Community Safety and Transport Management

Safety House, 31-34 Molopo Road, (Main Entrance)

Security Check Point**Mahikeng**

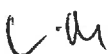
10.2 Bid documents will only be considered if received by the Department before the closing date 04/08/2025 and time **11h00**

* Late submissions will not be accepted.

10.3 The Department of Community Safety and Transport Management reserves the right to award the bid in whole or in part and does not bind itself to accept the lowest or any bid.

11. SECTION 1**11.1 Special Conditions of Contract (SCC)**

- Successful bidder/s must provide free maintenance for each monitoring system for a period of the contract.
- Successful bidder/s must adhere to turnaround time of not more than five days when there are problems with the system.
- Successful bidder/s will be expected to conduct training for the Departmental officials on the use of control equipment within two (2) months after appointment and proof of training to be submitted.
- Successful bidder/s to have an insurance policy on the installed monitoring system within thirty (30) days of appointment.
- Bidder/s will be allowed to bid for one more districts.
- Ownership of the data shall belong to the Department.
- Successful bidder/s must establish an office within three (3) months in the district awarded.
- The tracking devices should be ICASA approved.(attach the certificate)



11.2 SECTION 2

- General Conditions of Contract (GCC)

11.3 BID SUBMISSION CHECKLIST [CHECK WHETHER ALL RETURNABLES ARE INCLUDED ON THIS CHECKLIST]

- All the relevant forms attached to this bid documents must be completed and signed in ink where applicable by a duly authorised official.
- Use of tippex and pencil in the bid document are not allowed.
- Where cancellation has been made, bidders should endorse with a signature.

Bidders are required to complete the following checklist and to submit it with their bids:

Please note that all the information listed below should be included in the bid.

		COMPLIANT? (TICK ✓ IN APPROPRIATE BOX)	
NO	REQUIREMENT	YES	NO
1	SECTION 1		
1.1	Standard Bidding Documents:		
SBD 1	Invitation		
SBD 3.2	Pricing Schedule – Non-Firm Prices		
SBD 4	Declaration Of Interest		
SBD 6.1	Preference Points Claim Form in Terms of The Preferential Procurement Regulations 2022		
2	SECTION 1		
2.1	Special Conditions of Contract (SCC)		
3.	SECTION 2		
3.1	General Conditions of Contract (GCC)		
4.	ATTACHMENTS		
4.1	CSD Registration number (Summary Report)		
4.2	Originally certified copy of ICASA dealer licence		

12 SECTION A

12.1 SPECIAL REQUIREMENTS AND CONDITIONS OF BID

PRE-QUALIFICATION CRITERIA

Not applicable

13 Contract Period

A period of thirty seven (37) months

14 ORDERING

N/A

15 SERVICE PROVIDER

- 15.1 The successful service provider will receive an appointment letter from the Department (it is a pre-requisite that the service is rendered upon receipt of appointment letter from Department to avoid the risk of not being paid).
- 15.2 The service rendered must be in terms of the specification and purchase order

16. Delivery

- 16.1 Contracted service providers must be able to supply, deliver and install (where applicable), commission and maintain software within a period stipulated by the department.
- 16.2 Also continue to monitor the operations from the beginning to the last date of appointment.

17. PAYMENTS

17.1 Contracted service providers

Contracted service providers will lodge their payment claims from the Department for service rendered. Payments will be effected within 30 days upon receipt of the correct original tax invoice

18. BREACH OF CONTRACT

- 18.1 The Department, without prejudice to any other remedy for breach of contract, by written notice of default sent to the service provider, may terminate this contract in whole or in part:
- a) if the service provider fails to deliver any or all of the service 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 Service provider fails to perform any other obligation(s) under the contract; or
 - c) If the service provider, in the judgment of the Department, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.



- 18.2 In the event the Department terminates the contract in whole or in part, the Department may procure, upon such terms and in such manner as it deems appropriate, service, works or services similar to those undelivered, and the service provider shall be liable to the Department for any excess costs for such similar service, works or services. However, the service provider shall continue performance of the contract to the extent not terminated.
- 18.3 Where the Department terminates the contract in whole or in part, the Department may decide to impose a restriction penalty on the service provider by prohibiting such service provider from doing business with the public sector for a period not exceeding ten (10) years.
- 18.4 If a department intends imposing a restriction on a service provider or any person associated with the service provider, the service provider 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 service provider fail to respond within the stipulated fourteen (14) days the Department may regard the intended penalty as not objected against and may impose it on the service provider.
- 18.5 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.
- 18.6 If a restriction is imposed, the Department must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) The name and address of the service provider 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 service providers or persons prohibited from doing business with the public sector.



18.7 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 (5) years and not more than ten (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.

18.8 Breaching the contract in terms of the specification, purchase order, the delivery period shall result in the cancellation of the contract. The designated service provider shall bear any difference in price of the said supplies and these amounts plus any other damages which may be suffered by the State shall be paid by the designated service provider to the State immediately on demand.

19. INSPECTIONS

The department officials will conduct inspection on the functionality of the electronic monitoring system where it is accessible after the award as part of Contract Management.

20. REPORTING

The service provider shall do the overall monthly reporting to the project manager of the Department of Community Safety and Transport Management. The service provider shall provide services strictly in accordance with the specification as well as other relevant legislative provisions. The project manager or his delegate shall be directly responsible for monitoring all activities including the preparation of monitoring reports and their timeous submission to the department.

21. OBLIGATIONS

- a) The department is obliged to ensure that the contracted service provider renders service to the Department in line with the approved specification within the specified period after appointment.
- b) The Contracted service provider is obliged to render services in line with the approved specification to the **Department of Community Safety and Transport Management** in the North West Province within specified period.
- c) The **Department of Community Safety and Transport Management** to pay the contracted service provider within the stipulated 30 days' period upon the receipt of a valid tax invoice.

- d) Default by either party (i.e., the contracted service provider or any government department) in terms of delivery, quality of products and payments must be reported within Seven (7) working days to the Supply Chain Management Office.
- e) All parties are obliged to adhere to these Special Conditions of bids as stipulated in the attached bid forms and General Conditions of Contract.

22. SERVICE LEVEL AGREEMENT

The Department will enter into a Service Level Agreement with contracted service providers. SLA will be signed by the department and the successful bidder.

23. INDUCTION

Bidders will be required to conduct training on the use of system to all the appointed officials and designated employees of the department

24. EVALUATION CRITERIA

Bid will be evaluated on functionality first before being evaluated on **80/20** and bidders which do not reach the first functionality threshold of **70 points** will be disqualified and not be evaluated further on price and Preferential Goals Claim.

Evaluation Criteria	Weighting
Price	80
Preferential Goals Claim	20

Stage 1

Mandatory requirements

- Proof of the following documents will be required: -
- Invitation to Bid (SBD 1)
- Price Schedule (SBD 3.2)
- Declaration of Interest (SBD 4)
- Originally certified copy of ICASA dealer license

NB: Failure to submit complete and signed documents will result in the bidder being disqualified.

- Preference Points Claim Form in Terms of the Preferential Procurement Regulations 2022 (SBD 6.1) **(Points will not be allocated if the SBD 6.1 form is not fully completed and signed)**

- In case of a joint venture/trust/consortium partnership, an agreement must be attached.
- CSD Registration number (Summary Report)

Stage 2: Functional Criteria

The minimum threshold of 70 points must be obtained in order for the bidder to proceed to the next of evaluation.

Criterion	Description	Weight
Project Plan	<p>A detailed project plan that outlines company experience in the supervision and monitoring environment and supply, installation, operation and maintenance of Electronic Monitoring Systems operations to ensure achievement of the operational requirements but not limited to the following:</p> <ul style="list-style-type: none"> - Availability and method of installation of hardware on the vehicle, durability and quality of the system with clear timelines within two (02) months - Monitoring of 100% of learner transport vehicles, routes and trips per operator per school, local and district municipality with geo-fencing - Delivery and access of daily, weekly, monthly and annual reports timeously - Strategy to collect information in case of vehicle breakdown or replacement. - Close up report on the project plan. <p>• Detailed project plan not covering all the above-mentioned operational requirements = 00</p>	30
Financial Capacity	<p>Official stamped Bank rating letter</p> <p>A = 05</p> <p>B = 03</p> <p>C = 02</p> <p>Not Attached =00</p>	05

Criterion	Description	Weight
A signed reference letter on the client's letterhead. The letter should include description/scope, duration of the contract (start and end date of the project), and contactable person details	<p>A company experience reference letters with:</p> <ul style="list-style-type: none"> • 5 or more years' experience = 25 • 3 to 4 years' experience = 20 • 1 to 2 years' experience = 15 • Less than a year of experience = 00 	25
Qualifications and experience of two (02) Key personnel: Project Manager and Technical Leader must clearly be indicated on the organogram/list and their CV's clearly marked.	Project Manager: NQF level 7 / Bachelor degree, B-Tech or Advanced Diploma in Business Management or Financial Management or Project Management Degree or Transport Economics/Management or Electronics. Qualification <ul style="list-style-type: none"> • NQF level 7 and above = 10 • NQF level 6 and below = 00 Experience <ul style="list-style-type: none"> • More than (06) years accumulated experience in Project management = 10 • 3-5 years accumulated experience in Project management = 05 • 1-2 years accumulated experience in Project management = 00 	20
	Technical Leader: NQF level 6 in Information technology or Information system or Electronics	
	Qualification <ul style="list-style-type: none"> • NQF level 6 and above = 10 • NQF level 5 and below = 00 Experience <ul style="list-style-type: none"> • More than (05) years accumulated experience in Information Technology or Electronics= 10 	20

	<ul style="list-style-type: none"> • 3-5 years accumulated experience in Information Technology or Electronics = 05 • 0-2 years accumulated experience in Information Technology or Electronics = 00 	
TOTAL		100

NB: ONE (01) PERSON CANNOT TAKE TWO (02) PORTFOLIO

Stage 3

PRESENTATIONS BY PROSPECTIVE BIDDERS

Bidders will be scored out of 100 points and the minimum threshold to qualify is 60 points. Bidders who fail to meet the minimum threshold will not be considered for further evaluation.

Presentation contents	Description	Overall points
Electronic monitoring system for fleet management	<p>The bidder proposed software should be able to distribute vehicles across optimizing routes, create and sequence stops and track location and performance in real time.</p> <ul style="list-style-type: none"> • Map efficient routes and trips for on-time performance • Geofence area to avoid intersected paths • Track each trip's actual KM operated and duration • Information on learners boarding the buses per route. • Generate and electronic invoice for each operator contracted • Proposed software is compliant with the above requirement= 20 • Proposed software non-compliant with the above requirement= 00 	20

	<p>The bidder must present the proposed electronic monitoring system demonstrating the capability of the system on how it would count and track learners in line with the Department's monitoring and reporting requirements.</p> <ul style="list-style-type: none"> • The bidder exceptionally demonstrated high level electronic monitoring system to be used for monitoring purposes = 20 • The bidder demonstrated lack of understanding of electronic monitoring system to be used for monitoring purposes = 00 	20
	<p>The bidder must demonstrate the system's capability to generate daily, weekly, monthly and annual reports in line with the following:</p> <ul style="list-style-type: none"> • Vehicle description (Fleet number/ registration number). • Vehicle location: location name and date time when the vehicle reached the location. - Geo Fencing required. • Last update time of the vehicle detail. • Vehicle running information- Actual kilometre travelled and departure and arrival time of each trip and late and early trips, to and from school - this is linked to penalties. • Travel time averages per route • Actual kilometres and mapping operated • Driver behaviour (speed, harsh breaking and other traffic violation) • Exception reports (DNO, breakdowns, route deviations) <p>The system must have playback capabilities and operational filters.</p> <ul style="list-style-type: none"> • The bidder's system demonstrates capabilities to generate required reports = 20 • The bidder's is not able to comply with the above- 	20

	mentioned criteria = 00	
Quality of the System	<p>The bidder to demonstrate 100% network coverage of the system.</p> <ul style="list-style-type: none"> • The bidder demonstrated 100% network coverage = 10 • The bidder demonstrated poor network coverage of the system = 00 <p>The bidder must have a clear contingency plan in place for mitigation of loss of coverage and unit replacement in case of malfunctioning where applicable.</p> <ul style="list-style-type: none"> • The bidder has demonstrated clear contingency plan in place for mitigation of loss of coverage and unit replacement = 10 • The bidder has not demonstrated clear contingency plan in place for mitigation of loss of coverage and unit replacement = 00 	20
	<p>The bidder must demonstrate the system's durability or endurance test due to the conditions of the learner transport roads (gravel and dusty).</p> <ul style="list-style-type: none"> • The bidder's system demonstrated properties to cope with friction and vibration caused by the conditions of the road = 20 • The bidder's system cannot cope with friction and vibration caused by conditions of the road = 00 	20
TOTAL		100

Preference Point System

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the

State on the **80/20** preference point system and the lowest acceptable Total Cost of Ownership (TCO) tender will be used to determine the applicable preference point system.

The following formula will be used to calculate the points for price:

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

A maximum of either 20 or 10 points may be allocated to a bidder for attaining their special goal level of contributor in accordance with the table below:

Stage 4: Special goals and price

Criterion	Weight	Special goals points allocated (80/20)
Promotion of enterprise owned by people on the basis of race (100% owned by Black people)	3.6	
Promotion of enterprise owned by Women (≥51% owned by women)	08	
Promotion of enterprise owned by Youth (≥51% owned by Youth)	06	
Promotion of enterprise owned by Military Veterans (≥51% owned by Military Veterans)	01	
Promotion of enterprise owned by people with disabilities	1.4	
Total	20	

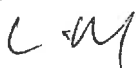
- Bidders are required to complete the preference claim form (SBD 6.1) in order to claim special goal status level points.
- Evaluation of trust, consortium, joint venture or partnership

- I. A trust / consortium / joint venture / partnership must submit a signed agreement that clearly stipulates the % of ownership and address/place of business.
- II. The agreement must clearly state participation of the several constituent person and/or companies and/or firms and the period of duration of the agreement.
- III. A trust / consortium / joint venture / partnership must submit a certificate signed by or on behalf of each participating person and/or companies and/or firms authorizing the person who signed the bid to do so.
- IV. In bids where Consortia/Joint Ventures/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate'.
- V. Where a trust / consortium / joint venture / partnership are involved, each party must be registered on the CSD and their tax compliance status will be verified through the CSD or through SARS.

25. PRICING

25.1 Service providers must complete pricing schedule form SBD 3.2 (Pricing schedule non-firm prices)
[Customize according to the services required]

25.2 Bid prices should be inclusive of all applicable taxes, packaging, other related costs and deliveries.



ANNEXURE A

PRICING SCHEDULE

ITEM	DESCRIPTION	COST PER MONTH	TOTAL COST
1	Project Manager		
2	Technical Leader		
3	Vehicle inspector		
4	Monitoring Staff		
5	Administrative staff		
6	Travel cost per km		
7	Electronic Monitoring system		
8.	Miscellaneous(Provide break down of costs)		
	Total		
	Value Added Tax		
	Total		

Total Bid Price		
-----------------	--	--

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
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 THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					<input type="checkbox"/> YES <input type="checkbox"/> 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 ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR 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 REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
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 ORGAN OF STATE 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 PIN 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:

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

OFFER TO BE VALID FOR.....DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
<hr/>			
-	Required by:	
-	At:	
-	Brand and model	
-	Country of origin	
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not to specification, indicate deviation(s)	
-	Period required for delivery	
-	Delivery:		*Firm/not firm

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

A NON-FIRM PRICES SUBJECT TO ESCALATION

- $$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

P_a	=	The new escalated price to be calculated.
$(1-V)P_t$	=	85% of the original bid price. Note that P_t must always be the original bid price and not an escalated price.
$D_1, D_2..$	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors $D_1, D_2...$ etc. must add up to 100%.
$R_{1t}, R_{2t}.....$	=	Index figure obtained from new index (depends on the number of factors used).
R_{1o}, R_{2o}	=	Index figure at time of bidding.
VP_t	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

- Index..... Dated..... Index..... Dated..... Index..... Dated.....
Index..... Dated..... Index..... Dated..... Index..... Dated.....

- [illegible]

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this 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.

Full Name	Identity Number	Name of Institution	State

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

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.

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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.

SBD4

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 8 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

SPECIFIC GOALS DECLARATION IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

TENDERS/BIDS¹ ABOVE R1,000,000 (Including all applicable taxes)

This specific goals form must form part of all quotations that are above R1,000,000 up to more than R50, 000 000 (including all applicable taxes). It contains general information required by legislation and serves as the declaration for the specific goals claimed by the bidder.

NB: IN COMPLETING THIS FORM, BIDDERS MUST BE AWARE OF THE CONDITIONS OF TENDER, GENERAL CONDITIONS OF CONTRACT, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND THE SPECIAL GOALS CLAIMED AND CODES OF GOODS PRACTICE.

1. GENERAL CONDITIONS

1.1 The following point systems are applicable to all quotations:

- The 80/20 system for requirements with a Rand value of above R1 000 000 up to R 50 000 000(all applicable taxes included).
- Or
- The 90/10 system for requirements with a Rand value of above R 50 000 000(all applicable taxes included).

1.2 Points for this bid shall be awarded for:

1.2.1 Price; and

1.2.2 Preference Points.

1.3 Failure on the part of a bidder to declare or submit proof when requested, will be interpreted to mean that preference points are not claimed.

1.4 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

- 2.1.1 **"Acceptable bid or acceptable quotation"** means a bid or quotation which in all respects complies with the specifications and Conditions of Tender as set out in the tender document.
- 2.1.2 **"Black people"** means Africans, Coloureds and Indians (refer to the B-BBEE Act for more details)
- 2.1.3 **"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 and advertised competitive bidding processes or proposals;

www.csd.gov.za .

- 2.1.6 **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 2.1.7 **“DCSTM”** means The North West Department of Community Safety and Transport Management.
- 2.1.8 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being AND is in possession of a proof of disability.
- 2.1.9 **“military veteran”** means any South African who rendered military service to any of the military organisations, former statutory and liberation armies, which were involved on all sides of South Africa's liberation war from 1960 to 1993; served in the then Union Defence Force before 1961 or became a member of the SANDF after 1994 and has completed his or military training and no longer performs military duties, and has not been dishonourably discharged from his or her respective military organisation.
- 2.1.10 **“Ownership”** includes exercisable voting rights in the enterprise; economic interest in the enterprise (including Employee Share Ownership Programmes, Broad-based Ownership Schemes). The definition in the Ownership Element of the B-BBEE Amendment Act of 2013 and the codes of good practice provides more information on ownership.
- 2.1.11 **“Proof of Disability”** means:
 - 2.1.11.1 A completed SARS “Confirmation of Diagnosis of Disability” form endorsed by a duly registered medical practitioner which will remain valid for 10 years where the disability is of a permanent nature;
 - 2.1.11.2 A medical report and functional assessment report confirming the disability; or
 - 2.1.11.3 A SASSA disability grant.
- 2.1.12 **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- 2.1.13 **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation.
- 2.1.14 **“Specific Goals”** means those goals as contemplated in section 2(1)(d) of the PPPFA which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
- 2.1.15 **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions

- 2.1.16 “Youth” means persons between the ages of 14 and 35 as defined in the National Youth Commission Act of 1996.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE - THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of the quotation or bid under consideration

Pt = Price of the quotation or bid under consideration

Pmin = Price of lowest acceptable quotation or bid

3.2 FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME-GENERATING CONTRACTS

3.3 POINTS AWARDED FOR PRICE

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

80/20

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of the quotation or bid under consideration

Pt = Price of the quotation or bid under consideration

Pmax = Price of highest acceptable quotation or bid

4. DCSTM SPECIFIC GOALS

- 4.1 DCSTM has identified a number of specific goals that are strategic to procurement in the Department. DCSTM prefer the following categories of enterprises:

- 4.1.1 Enterprises owned by black people;
- 4.1.2 Enterprises owned by women;
- 4.1.3 Enterprises owned by people with disability;
- 4.1.4 Enterprises owned by the youth;
- 4.1.5 Enterprises owned by military veterans; and

- 4.2 Enterprises that do not fall within the above categories are encouraged to still submit a response. They will not be disqualified, they will just not earn points for the categories of preference.

5. POINTS AWARDED FOR SPECIFIC GOALS FOR QUOTATIONS AND BIDS

- 5.1 For acceptable bids up to R50,000,000 (including all applicable taxes)

- 5.1.1 In terms of the DCSTM Preferential Procurement Policy, points for specific goals must be awarded to a bidder in accordance with the table that follows:

Specific Goals in terms of PPR2022	Points out of 20 for the 80/20 system	Points applied DCSTM	Points Claimed By: SP/Supplier
1. Promotion of enterprises owned by people on the black of race(100% own by black people)	3.6	3.6	
2. Promotion of enterprises owned by women (≥51% owned by women)	8	8	
3. Promotion of enterprises owned by youth (≥51% owned by youth)	6	6	
4. Promotion of enterprises owned by military veterans (≥51% owned by military veterans)	1	1	
5. Promotion of enterprises owned by disabled people(≥51% owned by people with disability)	1.4	1.4	
TOTAL:	20	20	

NB: Percentages can be varied differently depending on the combination and number of special goals to be used The aggregate should be 100% at all the times. But always the ownership by women (when used) should remain fixed at ≥40% and other special goals applicable must be distributed to the remaining percentage.

6. DECLARATION WITH REGARD TO COMPANY/FIRM

6.1 Name of company/firm.....

6.2 Company registration number:

6.3 CSD Number: MAAA.....

6.4 TYPE OF COMPANY/ FIRM

<input type="checkbox"/> Partnership/Joint Venture / Consortium	<input type="checkbox"/> Personal Liability Company
<input type="checkbox"/> One-person business/sole propriety	<input type="checkbox"/> (Pty) Limited
<input type="checkbox"/> Close corporation	<input type="checkbox"/> Non-Profit Company
<input type="checkbox"/> Public Company	<input type="checkbox"/> State Owned Company
<input type="checkbox"/> Consortium (Unincorporated JV)	<input type="checkbox"/> Joint Venture (Incorporated JV)
[TICK APPLICABLE BOX]	

6.5 For a consortium or joint venture, the names of each member in the JV/Consortium; together with the company registration number and corresponding MAAA number, must be detailed in a separate attachment to the SBD 6.1.

7. I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, declare the points claimed and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The points claimed are in accordance with the General Conditions as indicated in paragraphs 1 to 8 of this declaration;
- iii) In the event of a contract being awarded as a result of points claimed and any other information at the disposal of the DCSTM, the bidder may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the points 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.

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

SURNAME AND NAME:

DATE:

ADDRESS

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

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 contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

**25. Force
Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation Programme (NIP)

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

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.

Js General Conditions of Contract (revised July 2010)