



**destea**

department of  
economic, small business development,  
tourism and environmental affairs  
FREE STATE PROVINCE

**HELICOPTER SERVICES FOR GAME  
MANAGEMENT ACTIVITIES TO BE  
CONDUCTED ON NATURE RESERVES  
OF THE FREE STATE PROVINCE FOR  
THE PERIOD OF THREE (3) YEARS**

**REF: BID01/2022/23**

## 1. SCOPE OF WORK AND TECHNICAL SPECIFICATIONS

### 1.1 Scope of work

The Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) requires the service of a suitable professional service provider with a suitably experienced pilot to provide a helicopter service to assist with game management activities on provincial nature reserves in the Free State Province.

The service provider must supply and operate a Robinson R44 (Raven II) or any equivalent 4-seater helicopter that can achieve the requirements of this tender, for a period of three (3) years.

Services that should be rendered by the approved service provider:

- Aerial support - Game Counting Operations
- Aerial support - Game Culling Operations
- Aerial support - Game Capture Operations

If and when so required, the approved service provider might also be requested to assist with flight operations related to:

- Anti-poaching
- Dehorning operations
- Wildlife notching and collaring
- Emergency wildlife veterinary treatment
- Wildlife snare removals
- Emergency response
- Carnivore management

### 1.2 Helicopter Specifications

- Robinson R44 Raven II or any equivalent 4-seater helicopter that can achieve the requirements of this tender.
- Helicopter must be equipped with an operational communication system inclusive of a ground to air radio and must provide direct internal communication between the pilot and any passenger.
- Apart from standard safety equipment (seatbelts), the helicopter must be equipped with a safety harness for use during darting and culling operations.
- Helicopter must be equipped with a siren for the purpose of flushing wildlife.

## 2. EXPECTED DELIVARABLES AND TIMELINES

Flying hours required:

**340 hours in 2022**

**430 hours per year in 2023 and 2024**

The service provider must be ready to commence work immediately.

Service period:

Mainly March to October each year of the contract period.

Delivery:

Mainly on Koppies Dam NR, Willem Pretorius GR, Erfenis Dam NR, Sandveld NR, Soetdoring NR, Rustfontein Dam NR, Maria Moroka NR, Caledon NR, Tussen die Riviere NR and Gariep NR, Sterkfontein Dam NR and Seekoeivlei NR.

Operations might also be required on Bathurst and Kalkfontein Dam NR.

**SBD1**

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF ECONOMIC, SMALL BUSINESS DEVELOPMENT, TOURISM, AND ENVIRONMENTAL AFFAIRS (DESTEA)</b>					
<b>BID NUMBER:</b>	BID01/2022/23	<b>CLOSING DATE:</b>	SEPTEMBER 09 <sup>th</sup> , 2022	<b>CLOSING TIME:</b>	11:00 AM
<b>IN THE EVENT THAT A HARD COPY OF THE BID DOCUMENT IS NOT RECEIVED ON OR BEFORE THE CLOSING DATE AND TIME, THE BID WILL BE INVALIDATED</b>					
<b>DESCRIPTION</b>	<b>HELICOPTER SERVICES FOR GAME MANAGEMENT ACTIVITIES TO BE CONDUCTED ON NATURE RESERVES OF THE FREE STATE PROVINCE FOR THE PERIOD OF THREE (3) YEARS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>TENDER BOX C</b>					
<b>GROUND FLOOR; 113 ST ANDREW STREET BUILDING;</b>					
<b>BLOEMFONTEIN</b>					
<b>SUPPLY CHAIN MANAGEMENT ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
<b>CONTACT PERSON</b>	MR PITSO TLHABANELO	<b>CONTACT PERSON</b>	ME. GONTSE MOCWALEDI		
<b>TELEPHONE NUMBER</b>	(051) 400 4744	<b>TELEPHONE NUMBER</b>	(060) 9683 186		
<b>E-MAIL ADDRESS</b>	TLHABANELOP@DESTEA.GOV.ZA	<b>E-MAIL ADDRESS</b>	SEBETLELEG@DESTEA.GOV.ZA		
<b>SUPPLIER INFORMATION</b>					
<b>NAME OF BIDDER</b>					
<b>POSTAL ADDRESS</b>					
<b>STREET ADDRESS</b>					
<b>TELEPHONE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>		
<b>CELLPHONE NUMBER</b>					
<b>FACSIMILE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>		
<b>E-MAIL ADDRESS</b>					
<b>VAT REGISTRATION NUMBER</b>					
<b>SUPPLIER COMPLIANCE STATUS</b>	<b>TAX COMPLIANCE SYSTEM PIN:</b>		<b>OR</b>	<b>CENTRAL SUPPLIER DATABASE No:</b>	<b>MAAA</b>
<b>B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE</b>	<b>TICK APPLICABLE BOX]</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>B-BBEE STATUS LEVEL SWORN AFFIDAVIT</b>	<b>[TICK APPLICABLE BOX]</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
<b>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>[IF YES ENCLOSE PROOF]</b>	<b>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <b>[IF YES, ANSWER THE QUESTIONNAIRE BELOW ]</b>		
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
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

<b>1. BID SUBMISSION</b>	
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).
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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 <a href="http://www.sars.gov.za">www.sars.gov.za</a> .
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."
<b>3. SPECIAL CONDITIONS OF THE BID</b>	
3.1	<b>Pilot Specifications</b>
	The pilot operating the helicopter on contract shall be appropriately licensed and rated and must be in the possession of the following valid documents:
3.3.1	(i) South African Commercial Pilot's License (ii) Game and Livestock Cull Rating <i>Certified copies of both of the above must be submitted with the bid.</i>
	<i>Proof of the pilot's helicopter flying experience must be submitted with the bid by attaching a certified copy of his log book with summary of hours as presented at his last flight test (stamped and signed by Grade 1 instructor).</i>
3.1.2	Due to the terrain, game capture in the Free State is conducted using a helicopter assisted by game capture vehicles. Experience in this capture method is essential and the pilot must have a minimum of 500 hours game capture experience.  <i>A minimum of two (2), up to a maximum of four (4) letters of reference for Game Capture activities conducted within the last two years must be submitted with the tender. Contact details of the authors of the letters must be provided</i>
3.1.3	As the pilot will be actively involved in the counting of game during the counts, experience of aerial game counting is essential and the pilot must have a minimum of 500 hours game counting experience.  <i>A minimum of two (2) up to a maximum of four (4) letters of reference for Game Counting activities conducted within the last two years must be submitted with the bid. Contact details of the authors of the letters must be provided.</i>

<b>3.</b>	<b>SPECIAL CONDITIONS OF THE BID</b>
<b>3.1.4</b>	<p>The culling of game is a specialised activity and it is essential that the pilot must have at least 100 hours experience in aerial culling operations.</p> <p><i>A minimum of one (1) up to a maximum of two (2) letters of reference for Aerial Culling activities conducted within the last two years must be submitted with the bid. Contact details of the authors of the letters must be provided.</i></p>
<b>3.1.5</b>	<p>The interchanging of pilots during the contract period should be avoided, but however, in the event of unforeseen circumstances which may necessitate the appointment of another pilot to continue with the service, approval will have to be obtained in advance from the DESTEA.</p>
<b>3.2</b>	<b>Certification</b>
	<p>The successful service provider must be in possession of and provide proof of the following valid documentation issued by the South African Civil Aviation Authority.</p>
<b>3.2.1</b>	<p>(i) A current Air Operating Certificate, Part 127 indicating:</p> <ul style="list-style-type: none"> <li>• Class II (non-scheduled public air transport service)</li> <li>• Class III (general air service)</li> <li>• License types: N1 (transport of passengers)</li> <li>• N2 (transport of goods / cargo)</li> <li>• G3 (aerial patrol, observation &amp; survey)</li> <li>• G10 (game and livestock selection, culling, counting and herding)</li> </ul> <p>(ii) Valid Air Services License covering game work (G3 and G10). <i>Certified copies of both of the above must be submitted with the Bid.</i></p>
<b>3.3</b>	<b>Service Provider - Company Profile and Service Record</b>
<b>3.3.1</b>	<p>The service provider must be an existing operator in the aviation industry, capable of providing a helicopter service with experienced pilots.</p> <p>The service provider must provide proof of experience with similar services delivered.</p> <p><i>The service provider must supply a short (1 page) company profile clearly indicating the number of years that the company has been in business, the type(s) of services offered and a list similar aerial services that the company had been involved with in the last 5 years. Please supply a minimum of two (2) up to a maximum of four (4) letters of reference related to the above services.</i></p>
<b>3.3.4</b>	<p>The service provider must be BBBEE compliant. Service providers at BBBEE level 4 or should demonstrated partnership or sub-contracting of BBBEE level 1 or level 2 company in some of the services to be provided, as part of the skills transfer.</p>
<b>3.4</b>	<b>Insurance</b>
<b>3.4.1</b>	<p>The successful service provider must ensure and provide proof that the helicopter supplied under the contract shall be fully insured against loss and damage incidental to manufacture or acquisition, transportation and storage.</p> <p>The successful service provider must ensure and provide proof that passenger liability insurance be provided and that the following are included in the insurance documentation:</p>
<b>3.4.2</b>	<ul style="list-style-type: none"> <li>▪ Third Party Legal Liability cover as per CAA regulations,</li> <li>▪ Crew Legal Liability cover and</li> <li>▪ Game Counting, Census and Culling (dangerous flying work) being listed in the Permitted Uses section.</li> </ul>
<b>3.4.3</b>	<p>The successful service provider must ensure that the required insurance shall be maintained for the full contract period. <i>The tenderer must provide a copy of the relevant insurance document with the bid document, providing proof that the cover as described in above is available.</i></p>
<b>3.4.4</b>	<p>The successful service provider shall hold harmless and indemnify the DESTEA in respect of all/any loss or damage and/or injury whatsoever and howsoever which may arise from any activity related to the signed contract, notwithstanding that such loss, damage or injury may have resulted from negligence on the part of the DESTEA, or its employees.</p>
<b>3.5</b>	<b>Bid Pricing</b>
<b>3.5.1</b>	<p>Tenderers must bid on a wet (including fuel) rate per hour flying time basis, which shall be inclusive of all costs, for each of the contract years (2022, 2023 and 2024).</p>
<b>3.5.2</b>	<p>Prices must be VAT inclusive.</p>
<b>3.5.3</b>	<p>The price that will be used in the evaluation based on the 80/20 principle, will be the cumulative price over the 3 year period.</p>

<b>3. SPECIAL CONDITIONS OF THE BID</b>	
<b>3.6</b>	<b>Logistical arrangements</b>
<b>3.6.1</b>	The bid price must include the transportation of the helicopter from its base to the various Nature Reserves and back. Ferry time will only be compensated for at the quoted hourly tariff while operating within the boundaries of the Free State Province and in accordance with flight paths agreed to by DESTEA.
<b>3.6.2</b>	The costs related to any flights undertaken during or between operations, which are related to the service provider / pilot's own purposes, will be for the service provider's own account.
<b>3.6.3</b>	Accommodation for the pilot will be arranged on the Nature Reserves where the capture, counts and/or culling are to be conducted. The pilot will pay for this accommodation according to the applicable approved official tariff. The pilot must provide his own food and beverage.
<b>3.6.4</b>	If the operations schedule requires the pilot to be accommodated in any location other than on one of the Nature Reserves, the pilot will be responsible to arrange and pay for his accommodation.
<b>3.6.5</b>	The service provider must ensure that in case of helicopter breakdown and if the helicopter cannot be repaired in a 72 hour period, a backup helicopter with same specifications as per the terms of reference must be made available to continue with the required operations. The replacement helicopter must be made available at no additional cost to the DESTEA.

**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: .....

<b>4. EVALUATION CRITERIA</b>			
<p>All tenders received will be subjected to a three stage evaluation process.</p> <p><u>Stage 1: Compliance</u></p> <p>In Stage 1 tenders will be assessed for compliance and completeness.</p> <p>It is compulsory that prospective bidders must provide the following information / documents (certified copies).</p> <ul style="list-style-type: none"> <li>• Current Air Operating Certificate (AOC) issued by the South African Civil Aviation Authority (SACAA), Part 127 with Air Service Class ii and iii and Types of Air Services G3 and G10.</li> <li>• Valid Air Services License (Issued by the Air Service Licensing Council of South Africa) in relation to the AOC.</li> <li>• Dedicated pilot's Valid South African Commercial Pilot's License with Cull Rating.</li> <li>• The dedicated pilot must provide proof of flying hours on the stipulated type of helicopter. (Certified Copy of Pilot Logbook as per paragraph 3.1)</li> <li>• Aircraft Insurance Documents (as per paragraph 8.3)</li> </ul> <p><b><i>Only tenders that meet all the requirements in terms of compliance and completeness of the submitted tender per the above set of mandatory requirements (Stage 1) progress to Stage 2 for further evaluation per the below set of functionality evaluation criteria.</i></b></p> <p>In stage 2, functionality will be assessed using the following criteria and points.</p> <p><u>Stage 2: Functionality</u></p>			
<b>Criteria No.</b>	<b>Evaluation criteria</b>	<b>Points</b>	<b>Scoring</b>
1.	Proof of Pilot experience related to helicopter flying in Robinson R44 or equivalent.	<b>25</b>	Pilot's experience related to helicopter flying on type R44 or equivalent 3000 hours and more = 25 points >2000 – 3000 hours = 20 points >1000 – 2000 hours = 10 points >500 – 1000 hours = 5 points Less than 500 hours or information inadequate = 0 points
2	Proof of Pilot experience specifically related to <u>game capture</u> operations.	<b>20</b>	Pilot's experience conducting game capture >2000 hours = 20 points >1000 - 2000 hours = 15 points >700 – 1000 hours = 10 points 500 – 700 hours = 5 points Less than 500 hours or information inadequate = 0 points
3	References	<b>5</b>	1 Point per reference letter indicating game capture service excellence up to a maximum of three references (max 5 points).

HELICOPTER SERVICES FOR GAME MANAGEMENT ACTIVITIES TO BE CONDUCTED ON NATURE RESERVES OF THE FREE STATE PROVINCE FOR THE PERIOD OF THREE (3) YEARS

4	Proof of Pilot experience specifically related to <u>game counting</u> operations.	<b>15</b>	Pilot experience conducting game counts >2000 hours and more = 15 Points >1000 – 2500 hours = 10 Points >700 – 1000 hours = 7 Points >500 - 700 hours = 4 Points Less than 500 hours or information inadequate = 0 points
5	References	<b>5</b>	1 Points per reference letter indicating game counting service excellence up to a maximum of three references (max 5 points).
6	Proof of Pilot experience specifically related to <u>culling</u> operations.	<b>16</b>	Pilot experience conducting aerial culling >100 hours = 16 Points 50 – 100 hours = 8 Points Less than 50 hours or information inadequate = 0 points
7	References	<b>4</b>	1 Point per reference letter indicating game culling service excellence up to a maximum of two references (max 4 points).
8	Demonstrated (Proof of) experience of the <u>service provider</u> with regards to aviation services.	<b>6</b>	Service provider's years of experience in the aviation industry More than 5 years = 6 points 2 – 5 years = 3 points Less than 2 years or information inadequate = 0 points
9	References	<b>4</b>	Proof of involvement with similar services and service excellence. 1 Point per reference letter indicating service excellence up to a maximum of four references (max 4 points).
	<b>TOTAL</b>	<b>100</b>	

***Only tenders that achieve 70% (70 points out of 100) of the functionality evaluation criteria will progress to Stage 3 of evaluation.***

**In Stage 3 of the evaluation**

Price and B-BBEE contribution level are assessed.

The Department reserves the right to appoint any service provider that meets the specifications and legal requirements and has the licenses relevant and appropriate for this tender requirement not forsaking safety and technical capacity standards.



HELICOPTER SERVICES FOR GAME MANAGEMENT ACTIVITIES TO BE CONDUCTED ON NATURE RESERVES OF THE FREE STATE PROVINCE FOR THE PERIOD OF THREE (3) YEARS

<b>5.</b>	<b>PRICING MODEL</b>		
<b>5.1</b>	The Service Provider must cost for the work to be done at an hourly rate in line with paragraph 3.6.1 and 3.6.2 of the Special Conditions of the Bid hence the Billing will be done on time basis.		
<b>5.2</b>	Please provide your Pricing as follows in a separate envelope:		
	Hourly rate (Including VAT)	Annual Hourly	Total ( Hourly rate x Annual hours
<b>Year 1</b>			
Hourly tariff while operating within the boundaries of the Free State Province	R	<b>340</b>	R
<b>Year 2</b>			
Hourly tariff while operating within the boundaries of the Free State Province	R	<b>430</b>	R
<b>Year 3</b>			
Hourly tariff while operating within the boundaries of the Free State Province	R	<b>430</b>	R
<b>Total (Including VAT)</b>			R

<b>5.</b>	<b>PAYMENT TERMS</b>
<b>6.1</b>	DESTEA undertakes to pay valid tax invoices in full within thirty (30) days for work done to its satisfaction upon presentation of a substantiated tax invoice or claim.
<b>6.2</b>	No payment will be made where there is outstanding information or where the service delivered did not satisfy the department (DESTEA), in which case the Professional Service Provider will be requested to rectify the situation to meet the requirements of the department.
<b>6.3</b>	Payments to the appointed service provider will be done as part payments, on submission of the relevant invoices and documentation to a maximum of 12 part payments per financial year. This is subject to SCM processes within the Department and may be changed as such depending on the circumstances at the time.

<b>7.</b>	<b>BID VALIDITY PERIOD</b>
<b>7.1</b>	<b>Ninety (90)</b> days for the closing date and time

<b>9.</b>	<b>OPENING OF BIDS</b>
<b>10.1</b>	Bids will be opened publicly immediately on closing date and time stipulated.
<b>10.2</b>	No faxed and e-mailed bids will be accepted.
<b>10.3</b>	Bids delivered after the above-mentioned stipulated time and date will not be considered.

**PRICING SCHEDULE – FIRM PRICES  
(PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**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 <b>BID01/2022/23</b>
Closing Time <b>11:00 AM</b>	Closing date <b>September 09<sup>th</sup>, 2022</b>

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)
----------	----------	-------------	---

- 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 basis .....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "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

**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 interest<sup>1</sup> 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 State institution

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

---

<sup>1</sup> 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.

**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 consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature	..... ... Date
..... Position	..... Name of bidder

---

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2

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

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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



**GENERATING PROCUREMENT**

**3.3 POINTS AWARDED FOR PRICE**

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

**80/20 or 90/10**

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmax = Price of highest acceptable bid

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

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

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

**5. BID DECLARATION**

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

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

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

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

**7. SUB-CONTRACTING**

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

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

(Tick applicable box)

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

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

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

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

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

8.2 VAT \_\_\_\_\_ registration number:.....

8.3 Company \_\_\_\_\_ registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]



**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

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

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

WITNESSES
1. ....
2. ....

..... SIGNATURE(S) OF BIDDERS(S)
DATE: .....
ADDRESS .....

**CONTRACT F7ORM - RENDERING OF SERVICES**

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder’s past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
2	.....

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1 .....

2 .....

**GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT**

**NOTES**

The purpose of this document is to:

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

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

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

**TABLE OF CLAUSES**

- 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)

- 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](http://www.treasury.gov.za)

- 3.3 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
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.
- 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.
- 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.
- The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
6. **Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
7. **Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) bank guarantee or an irrevocable letter of credit issued by a reputable bank 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 analysis**
- 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.
- 18.7** 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 7 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.  
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.  
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

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.  
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.  
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  
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.  
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. Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1** Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1** No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1** The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1** The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1** Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2** If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the

supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
- 22. Penalties**
- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
- 23. Termination for default**
- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard 11 the intended penalty as not objected against and may impose it on the supplier.
- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which

- enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6** If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
  - (ii) the date of commencement of the restriction
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction.
- These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7** If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.
- 24 Anti-dumping and countervailing duties and rights**
- 24.1** When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him
- 25 Force Majeure**
- 25.1** Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, 12 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.
- If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26 Termination for insolvency**
- 26.1** The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
- 27 Settlement of Disputes**
- 27.1** If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2** If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

- 27.3** Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4** Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC
- 27.5** Notwithstanding any reference to mediation and/or court proceedings herein,  
(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and  
(b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of liability** **28.1** Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;  
(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and  
(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment
- 29. Governing language** **29.1** The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** **30.1** The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC
- 31. Notices** **31.1** Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice  
**31.2** The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** **32.1** A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.  
**32.2** A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.  
**32.3** No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services
- 33. National Industrial Participation (NIP) Programme** **33.1** The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.