

ABAQULUSI MUNICIPALITY



PANEL OF MUNICIPAL FINANCIAL MANAGEMENT SUPPORT / CONSULTANTS FOR THE PERIOD OF 36 MONTHS

TENDER NO: 8/2/1/443

NAME OF THE COMPANY	
BID AMOUNT INCLUDING VAT OVER 36 MONTHS	
PHYSICAL ADDRESS	
POSTAL ADDRESS:	
CONTACT NUMBER	
CSD NUMBER:	
EMAIL ADDRESS:	

ACTING MUNICIPAL MANAGER
Abaqulusi Municipality
PO Box 57
VRYHEID
3100

INVITATION TO BID

YOU ARE HEREBY INVITED TO SUBMIT YOUR BID FOR PANEL OF MUNICIPAL FINANCIAL MANAGEMENT SUPPORT / CONSULTANTS OVER 36 MONTHS WITH TENDER NUMBER: 8/2/1/443

TENDER NUMBER: 8/2/1/443

CLOSING DATE: 05 APRIL 2024

CLOSING TIME: 12H00

DESCRIPTION: MUNICIPAL FINANCIAL MANAGEMENT SUPPORT / CONSULTANT OVER 36 MONTHS

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

BID DOCUMENTS MAY BE POSTED TO:

**AbaQulusi Municipality
Corner of high and Mark street
Vryheid 3100**

OR

DEPOSITED IN THE BID BOX SITUATED AT **CORNER OF HIGH STREET AND MARK STREET**

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER:

POSTAL ADDRESS:

STREET ADDRESS:

TELEPHONE NUMBER:

CODE.....NUMBER.....

CELLPHONE NUMBER:

FACSIMILE NUMBER:..... CODE NUMBER.....

E-MAIL ADDRESS:.....

VAT REGISTRATION NUMBER:.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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 ? YES/NO (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER:.....

DATE:.....

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

TOTAL BID PRICE :

TOTAL NUMBER OF ITEMS OFFERED:.....

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality: AbaQulusi

Department: Supply Chain Management

Contact Person: Ms PH Nxumalo

Tel No: 034 9822133 Ext. 2284

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: CFO

Tel: 034 9822 133 Ext.2201

Fax: 034 9821939

INVITATION TO BID

TENDER NUMBER: 8/2/1/443
PUBLISHED DATE: 07/03/2024
DEPARTMENT: FINANCE DEPARTMENT

PANEL OF MUNICIPAL FINANCIAL SUPPORT / CONSULTANTS FOR THE PERIOD OF 36 MONTHS

The AbaQulusi Municipality is hereby inviting prospective service providers to submit bids for the Panel of Municipal Financial Management Support / Consultant over 36 months as per specification attached in the tender document.

Bids documents must be downloaded on E-tenders (www.e-tenders.gov.za) as from the 07 MARCH 2024.

Only functionality will be considered for the award of this tender. Top 5 Bidders with maximum points will be considered as a panel.

Provide support with the alignment and compliance of mSCOA requirements for financial management transactions.
Service provider must submit their bids on a flat rate.

Evaluation Criteria:

The bid will be evaluated on the functionality criteria and who will be scored less than 70% for functionality will not be considered.

Bids are to be completed in accordance with the conditions and bid rules contain in the tender document and supporting documents must be placed in a sealed envelope and clearly marked "**Tender for Panel of Municipal Financial Management Support / Consultant over 36 months**", must be deposited in the tender box at ground floor, AbaQulusi Local Municipality, corner of high and Mark street Vryheid 3100 by not later than **05 APRIL 2024, at 12h00**.

The municipality does not bind itself to accept the lowest or any bid, and reserves the right to accept any bid or part thereof.

CONDITIONS:

No awards will be made to a person:

- ❖ Who is not registered on the Central Supplier Data base
- ❖ Who is in the service of the state
- ❖ Bids above R10m, Annual Financial Statements (AFS) are required,
- ❖ If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state, and / or
- ❖ Who is an advisor or consultant contracted with the Municipality or municipal entity
- ❖ Fully Completed all the MBD'S on the tender document
- ❖ Fully completed tender document (bidder will be disqualified for incomplete document)
- ❖ Proof of experience(appointment letters with reference letters must be attached)
- ❖ Late bid will not be accepted,
- ❖ This bid will be valid for a period of 90 days after the closing date
- ❖ This bid must only submitted on the documentation provided by Abaqulusi Municipality (Original document)
- ❖ Failure to comply with these minimum requirements will result in immediate disqualification of the bid.
- ❖ Service Providers **Must** be registered with Central Supplier Data Base and should be also on Municipal Data Base if not please collect data base forms at SCM Office or down load them from Municipal website (www.abaqulusi.gov.za) and submit them with your bid document.
- ❖ Service Providers should be on Municipal Data Base if not please collect data base forms at SCM Office or down load them from Municipal website (www.abaqulusi.gov.za) and submit them with your tender document.

The Municipality reserves the right to withdraw any invitation to bid and / or to re- advertise or to reject any bid or to accept a part of it. The municipality does not bind itself to accept the lowest or ward a contract to the bidder scoring the highest number of points.

MINIMUM REQUIREMENTS

The following documents have to be attached:

- ❖ Central Supplier Data base registration report (Detailed / Summary)
- ❖ Valid certified copy of company registration document
- ❖ Certified B- BBEE Certificate from registered accountant is required or original Sworn Affidavit from Commissioner of Oath.
- ❖ Current account in terms of water and electricity / rates and taxes obtainable from your local municipality must be submitted, letter from Inkosi / Councillor or lease agreement not older than three months.
- ❖ Certified copies of identity documents of directors and owners of the company must be submitted
- ❖ Supply proof of company experience with a maximum of 35 points
- ❖ Supply the proof of personnel experience and CV's

For more information please contact Supply Chain Management office on 034 9822133 Ext. 2336.

SP DLAMINI
ACTING MUNICIPAL MANAGER

Notice No:

To be advertised at papers, etenders portal and Municipal Website

TERMS OF REFERENCE FOR PANEL OF MUNICIPAL FINANCIAL MANAGEMENT SUPPORT / CONSULTANT FOR THE PERIOD OF 36 MONTHS

1. BACKGROUND

- 1.1. Abaqulusi Municipality is striving to improve in its performance through financial management support programs to advance financial management practices and consequently improving audit outcomes in the Municipality.
- 1.2. The objective is to ensure that the municipality builds the required skill and capacity to enable effective financial management practices and therefore improve the audit opinions received.
- 1.3. Due to capacity constraints to deliver on this mandate, suitably qualified resources with the appropriate experience are required to assist Abaqulusi Municipality in the implementation of financial management support the finance department.

2. SCOPE AND DELIVERABLES

- 2.1. These resources will be reporting directly to the Project Manager: Chief Financial Officer within the Municipality.
- 2.2. Resources will be required to work on site at the selected Finance Sections.
- 2.3. Abaqulusi Municipality shall determine the allocation of resources among the selected finance sections.
- 2.4. The duration of the support will be between four to 36 months dependent on the needs of the municipality and will be confirmed before the resource is deployed.
- 2.5. Resources will be required to perform an onsite assessment (in the prescribed Abaqulusi Municipality Template) at the assigned section. The resource will then subsequently prepare a detailed project plan (in the prescribed Abaqulusi Municipality Template) which customizes and prioritizes the respective deliverables.
- 2.6. The specific deliverables in terms of the resources are as follows:
 - a) Perform and or review quality of monthly accounting records, reconciliations, registers, processes and controls in line with Generally Recognized Accounting Practice (GRAP) standards and other related standards. Providing practical training/recommendations which the implementation there of is subsequently monitored.
 - b) Resolve prior year audit matters as raised by the Auditor General which have been prioritized in the customized project plan. Put in place mechanisms to avoid re-occurrence.
 - c) Provide guidance and oversight in the asset register preparation process and asset management processes or assist in the preparation of the asset register as required.
 - d) Assist in the preparation and or review of annual financial statements as well the audit working paper file to ensure alignment with GRAP and Municipal Finance Management Act requirements.
 - e) Preparation of compliant annual financial statements and audit working paper file, including supporting reconciliations, schedules and disclosures, as required.
 - f) Training and development, including workshops and continuous on-the-job training of municipal officials in terms of financial management throughout the project.

- g) Review, implement and subsequently monitor compliance with the MFMA, and other relevant local government legislation.
- h) Provide support with the alignment and compliance of mSCOA requirements for financial management transactions.
- i) VAT Review and a detailed description of the way in which the VAT recovery process will be approached and improved on.
- j) Attendance at audit steering committee meetings and meetings with the Auditor-General. Provide guidance and support during the audit process to the CFO in addressing all financial management audit queries until the issue of the final audit report.
- k) Attendance at management meetings that relate to financial management within the municipality; and
- l) Implement any other deliverable as agreed in writing, with the Abaqulusi Municipality.

3. RESUME OF RESOURCES

The Abaqulusi Municipality Rotation of Suppliers policy will be applied in selecting resources.

3.1. Detailed curriculum vitas of potential resources at the following level is required:

- Maximum of two Senior Resources: Financial Management
- Maximum of two Intermediate Resources: Financial Management.

3.2. The potential resources must be made available to undertake the assignment on the dates required.

3.3. Qualification and Experience Requirements

Senior Resource: Financial Management:

- Minimum requirement is a Postgraduate Qualification in Accounting and Auditing (NQF 8), or equivalent.
- Minimum of **four years' experience** in a municipal financial management environment at a **middle management level**.
- Significant experience in the implementation and application of GRAP standards as well as compliance with MFMA requirements and other applicable municipal financial management legislation.
- Demonstrate experience in the implementation and application of effective accounting practices, processes, procedures and controls within a municipal financial management environment.
- Evidence of knowledge and the implementation requirements of the mSCOA;
- Good working knowledge and experience in word processing, spreadsheet and presentation software packages.
- A valid Driver's Licence and own vehicle is compulsory, due to the travel requirements.

Intermediate Resource: Financial Management:

- Minimum requirement is a three-year bachelor's degree (NQF 7) or equivalent, in Accounting and Auditing.
- Postgraduate qualification (NQF 8) in accounting will be an advantage.
- Minimum of three years' experience in the municipal financial management environment, especially in the preparation of annual financial statements, effective accounting practices, processes, procedures and controls.

- Significant experience in the implementation and application of GRAP standards as well as compliance with MFMA requirements and other applicable municipal financial management legislation; Evidence of knowledge and the implementation requirements of the mSCOA;
- Good working knowledge and experience in word processing, spreadsheet and presentation software packages.
- A valid Driver's Licence and own vehicle is compulsory, due to the travel requirements.

NOTE:

- It is imperative that municipal experience is clearly demonstrated with the inclusion of **specific names of municipalities** and details of **work performed**, including the **number of months/years of experience** on assignment at the respective municipality
- It is further requested that the Service Provider review the requirements in terms of qualification and experience and ensure that only the resources that meet the requirements are submitted for consideration and it is clearly demonstrated in the CV template provided (Annexure A).

4. QUALITY OF OUTPUT

- 4.1. The completed deliverables must be signed off by a senior official (Partner or Associate Director) of the service provider to confirm that all deliverables have been met.

5. BUDGET

- 5.1. The rate per hour (**inclusive of 15% VAT and disbursements**) for this assignment is as follows:

- According to South African Institute of Chartered Accountants(SAICA) rates and reviewed annually.

- 5.2. Service Providers are **not required** to submit receipts/dockets/invoices in support of expenses and travel expenses as an all-inclusive rate per hour (including 15% VAT) is chargeable on this project.

- 5.3. Payment will be processed on completion and satisfactory achievement of the approved deliverables (supported by actual evidence) and timeframes as indicated in the approved project plan.

6. REPORTING AND FILING

- 6.1. Comprehensive records of all work undertaken will need to be maintained and filed using the following structure:

- a) File index reflecting the respective deliverable referenced to the relevant working paper and or supporting documentation.
- b) A copy of the Engagement Letter and Order issued to the service provider;
- c) The Terms of Reference of each assignment.
- d) On site assessment (Abaqulusi Municipality format)
- e) Customized Project Plan (Abaqulusi Municipality format)
- f) Weekly Progress Reports for each week the assignment is active, signed by the relevant municipal official and the resource.
- g) Close out Report (including action plan) at the completion of the assignment, signed by the Municipal Manager or CFO, the resource and the service provider.
- h) Final documents relating to each deliverable.
- i) Working papers, including source information where applicable, to support documents/deliverables.
- j) Evidence of training provided including training presentations and training sign off certificates.
- k) Attendance registers, agenda's, correspondence and any other documents considered relevant to the assignment; and

- l) Invoice, timesheets and reconciliation of costs incurred against the agreed budget, clearly showing the original estimate as per the order, any approved variation in the estimate, amounts previously claimed, current claim amount and the balance remaining to complete the project.
- 6.2. The hard copy project file(s) compiled in accordance with the above and all electronic files saved onto a CD, must be delivered to the Project Manager at Cnr Mark & High Street, Vryheid.

7. INTERVIEW OF RESOURCES AND BRIEFING FOR ASSIGNMENT

- 7.1. In accordance with the selection process, resources shall be shortlisted and subjected to an interview. It is imperative that the resources prepare accordingly for the interview as technical questions related to the work to be undertaken on the project shall be posed.
- 7.2. Resources are required to score the average minimum in the interview process in order to be considered for selection:
- Senior Resources: 60%
 - Intermediate Resources: 50%
- 7.3. A briefing session will be held prior to the commencement of the project with the successful resource.

8. ESTIMATED PERIOD OF EXECUTION

- 8.1. The selected resource/s shall be seconded on a **full time basis** in implementing financial management support from **2024**. The duration of the support will be between four to thirty six months dependent on the needs of the municipality and will be confirmed before the resource is deployed.

8. EVALUATION CRITERIA

Points for quality must be entered here **by the Tenderer** based on the following Quality Scorecard. **Only Tenderers scoring 70% or more for quality will be considered.**

Tenderers should supply supporting information to prove points claimed.

There will be a two staged evaluation process

1. Scoring
2. Interview Process

Criteria: Company Experience: Maximum Score = 35

List below the contracts of similar work undertaken as Municipal Financial Management Support / Consultant						Duration of contract in Months	Points	Score (S)
Contract	Value	Reference						
		Name	Organisation	Tel N°				
1.1						5 points per project to a maximum of 35 points		
1.2								
1.3								
1.4								
1.5								
1.6								
1.7								
Possible Full Points =						35		
Actual Points Obtained S1 =								

Note: 1. *Similar work (or Project) means Municipal Financial Management Support / Consultant contracts*

Criteria: Experience of Key Personnel: Maximum Score = 50

	Proposed key Personnel	Experience	Points	Score (S)						
3.1	Qualified CA(SA)		15							
3.2	<u>Senior Resource: Financial Management:</u> Name:	Relevant Qualifications, Postgraduate NQF Level 8 (Accounting & Auditing)	10							
		Years of appropriate experience (score one of the categories)	<table border="1"> <tr><td><1</td><td>0</td></tr> <tr><td>1 to 2</td><td>2</td></tr> <tr><td>3 to 4</td><td>5</td></tr> <tr><td>>4</td><td>10</td></tr> </table>	<1	0	1 to 2	2	3 to 4	5	>4
<1	0									
1 to 2	2									
3 to 4	5									
>4	10									
3.3	<u>Intermediate Resource: Financial Management:</u> Name:	Relevant Tertiary Qualifications: Three year bachelors Degree NQF Level 7 (Accounting & Auditing)	5							
		Years of appropriate experience (score one of the categories)	<table border="1"> <tr><td><1</td><td>0</td></tr> <tr><td>1 to 2</td><td>2</td></tr> <tr><td>3 to 4</td><td>5</td></tr> <tr><td>>4</td><td>10</td></tr> </table>	<1	0	1 to 2	2	3 to 4	5	>4
<1	0									
1 to 2	2									
3 to 4	5									
>4	10									
Possible Full Points =			50							
Actual Points Obtained S3 =										

Note: *Curricula Vitae to be attached in Section T: Key Personnel*
Years of appropriate experience means experience in the related field
Certified copies of Qualifications to be attached if points are claimed

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

**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..... Closing Time Closing Date
--

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF THE TENDER.

ITEM	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY NO.
**(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: Firm/Not firm
- 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

MBD4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/ adjudicating authority.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 3.1 Full Name of bidder or his or her representative:.....
 - 3.2 Identity Number:.....
 - 3.3 Position occupied in the Company (director, trustee, hareholder²):.....
 - 3.4 Company Registration Number:.....
 - 3.5 Tax Reference Number:.....
 - 3.6 Vat Registration Number:.....
 - 3.7 The names of all directors/ trustees/ shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
 - 3.8 Are you presently in the service of the state? **YES/ NO**
 - 3.8.1 If yes, furnish particulars.....
.....

¹ MSCM Regulations: "in the service of the state" means to be –
(a) a member of –
(i) any municipal council;

- (ii) any provincial legislature; or
- (iii) the national Assembly or the national council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

² Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?..... **YES/ NO**

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and may be involved with the evaluation and or adjudication of this bid?..... **YES/ NO**

3.10.1 If yes, furnish particulars.

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.11.1 If yes, furnish particulars

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in the service of the state?

YES / NO

3.12.1 If yes, furnish particulars.

3.13 Are any spouse, child or parent of the company’s directors trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.13.1 If yes, furnish particulars

.....
.....

3.14 Do you or any of the directors, trustee, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

3.14.1 If yes, furnish particulars

.....
.....

4. Full details of directors/ trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.
(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.
Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Previously disadvantaged individuals	20	
Previously disadvantaged individuals	10	
Business owned by 51% or more black women	7	

Business owned by 51% or more black youth	3	
---	---	--

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One-person business/sole propriety
 - Close corporation
 - Public Company
 - Personal Liability Company
 - (Pty) Limited
 - Non-Profit Company
 - State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ

of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

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

MBD 7.1

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to Abaqulusi Municipality..... in accordance with the requirements and 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 time of bid.

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

The tenderer, identified in the offer signature block below, has examined the documents listed in the tender data and addenda thereto as listed in the Schedule of Returnable Documents, and by submitting this offer has accepted the conditions of tender.

By the representative of the tendered, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data, within ____ days of the commencement date.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:

.....

..... RAND (in words);
R(in figures)

This offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the tendered before the end of the period of validity stated in the Tender Data, whereupon the Tendered becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

1. 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);
 - Technical Specification(s);
 - 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)
2. 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 goods and/or works 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.
3. 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 fulfilment of this contract.
4. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
5. I confirm that I am duly authorised to sign this contract.

SIGNED ON BEHALF OF/BY THE TENDERER:

NAME

SIGNATURE

CAPACITY

DATE

Name and address of Organisation:

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

SIGNED BY WITNESS:

NAME

SIGNATURE

DATE

PART 2 (TO BE FILLED IN BY THE PURCHASER)

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the tenderer's offer shall form an Agreement between the Employer and the Tendered upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto as listed in the Returnable Documents as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this schedule which must be duly signed by the authorised representative(s) of both parties.

The tenderer shall within two weeks of receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), or when or just after this Agreement comes into effect, contact the employer's agent (whose details are given in the Contract Data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any). Unless the tenderer (now Contractor) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the parties.

SIGNED ON BEHALF OF/BY THE EMPLOYER:

NAME

SIGNATURE

CAPACITY

DATE

Error! Reference source not found. - CORNER MARK AND HIGH STREET,

VRYHEID

.....

.....

.....

SIGNED BY WITNESS:

NAME

SIGNATURE

DATE

CONTRACT FORM - RENDERING OF SERVICES

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remains 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:
 - (iv) Bidding documents, viz
 - Invitation to bid
 - Tax clearance certificate
 - Pricing schedule(s)
 - Filled in task directive/proposal
 - Preference claims in terms of the Preferential Procurement Regulations 2001
 - Declaration of interest
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2

MBD 7.2

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

DESCRIPTION OF SERVICE	PRICE (VAT INCL)	COMPLETION DATE	BBBEE 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

....

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:

- a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- b. been convicted for fraud or corruption during the past five years;
- c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION
MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE
FALSE.

.....

Signature

.....

Position

.....

Date

.....

Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

MBD 9

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

MBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ 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.

MBD 9

10. 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.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

GENERAL CONDITIONS OF CONTRACT (GCC)

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

1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 **“Acceptable bid”** means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.
- 1.2 **“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, works or services.
- 1.3 **“Black enterprise”** means an enterprise that is 50,1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.
- 1.4 **“Black empowered enterprise”** means an enterprise that is at least 25,1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.
- 1.5 **“Black people”** includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalised prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution’s commencement but who would have been able to be naturalised prior to this, were it not for the Apartheid laws which prohibited naturalisation of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the constitution in 1993 but who would have been entitled to apply to be naturalised prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.
- 1.6 **“Black woman-owned enterprise”** means an enterprise with at least 25,1% representation of black women within the black equity and management portion.
- 1.7 **“Closing time”** means the date and hour specified in the bidding documents for the receipt of bids.
- 1.8 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 1.9 **“Community or broad-based enterprise”** means an enterprise that has an empowerment shareholder who represents a broad base of

members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organisations and trusts.

Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons.

These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.

- 1.10 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- 1.11 **“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.
- 1.12 **“Contract price”** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.13 **“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.

- 1.14 **“Co-operative or collective enterprise”** is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly-owned enterprise and democratically controlled enterprise.
- 1.15 **“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.
- 1.16 **“Countervailing duties”** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.17 **“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.
- 1.18 **“Day”** means calendar day.
- 1.19 **“Delivery”** means delivery in compliance with the conditions of the contract or order.
- 1.20 **“Delivery ex stock”** means immediate delivery directly from stock actually on hand.
- 1.21 **“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.

- 1.22 **“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.
- 1.23 **“Dumping”** occurs when a private enterprise abroad markets 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.
- 1.24 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 1.25 **“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.
- 1.26 **“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.
- 1.27 **“GCC”** means the General Conditions of Contract.
- 1.28 **“Goods”** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.29 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen -
- 1.29.1 who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) (“the interim Constitution); and/or
- 1.29.2 who is a female; and/or
- 1.29.3 who has a disability:

provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI.

- 1.30 **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.
- 1.31 **“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.32 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 1.33 **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.34 **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.35 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 1.36 **“Parliament”** means Parliament of the Republic of South Africa as set out in Chapter Four of the Constitution.
- 1.37 **“Person”** includes reference to a juristic person.
- 1.38 **“Project site”** where applicable, means the place indicated in bidding documents.
- 1.39 **“Purchaser”** means the organization purchasing the goods.
- 1.40 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties.

- 1.41 **“Republic”** or **“RSA”** means the Republic of South Africa.
- 1.42 **“RFP”** means Request for Proposal.
- 1.43 **“RFT”** means Request for Tender.
- 1.44 **“RFQ”** means Request for Quotation.
- 1.45 **“SCC”** means the Special Conditions of Contract.
- 1.46 **“Secretary”** means the Secretary to Parliament.
- 1.47 **“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.
- 1.48 **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.
- 1.49 **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).
- 1.50 **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.
- 1.51 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.

- 1.52 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- 1.53 **“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.

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 as 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
- 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 Parliament or an organisation acting on behalf of Parliament.

- 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 contract 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.

24. Anti-dumping and countervailing duties and rights

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

other contract or any other amount which may be due to him.

25. Force Majeure

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

under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

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

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

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

provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, Parliament 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 (SARS).

33. Ownership and Copyright

- 33.1.1 Ownership of all products produced in terms of this agreement, of whatever nature, vest in Parliament.
- 33.1.2 The copyright of products, of whatever nature, commissioned and produced in terms of this agreement, and that have been paid for by the Secretary are owned exclusively by Parliament.

DECLARATION

I, THE UNDERSIGNED
 (NAME).....

CERTIFY THAT THE I HAVE READ AND UNDERSTAND THE INFORMATION ABOVE. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....Signature..... Position

.....Date.....Name of bidder

