

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (TSHWANE ECONOMIC DEVELOPMENT AGENCY)			
BID NUMBER:	TEDA PPM: BID 03/03/24:	CLOSING DATE	30 April 2024
		CLOSING TIME:	11:00 am
DESCRIPTION	THE APPOINTMENT OF A TRANSACTIONAL ADVISOR TO CONDUCT A PREFEASIBILITY STUDY ASSESSMENT FOR DETERMINATION OF PROJECT INVESTMENT POTENTIAL OPPORTUNITIES.		
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).			

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT (STREET ADDRESS)

Bid Validity: 90 days

TSHWANE ECONOMIC DEVELOPMENT AGENCY (TEDA)
GROUND FLOOR
LAKE VIEW BUILDING
1277 MIKE CRAWFORD ROAD
CENTURION MALL

SUPPLIER INFORMATION			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
TAX COMPLIANCE STATUS	TCS PIN:	OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
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TOTAL NUMBER OF ITEMS OFFERED	TOTAL BID PRICE	R
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SIGNATURE OF BIDDER	DATE
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CAPACITY UNDER WHICH THIS BID IS SIGNED

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	TEDA	CONTACT PERSON	Gabriel Motlotsi
CONTACT PERSON	Mokgadi Mapokane	TELEPHONE NUMBER	012 358 6528
TELEPHONE NUMBER	012-358 6539	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	gabrielmo@tshwane.gov.za
E-MAIL ADDRESS	mokgadima@tshwane.gov.za		

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:		
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE	
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS		
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS		
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? NO	<input type="checkbox"/> YES <input type="checkbox"/>
<p>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 ABOVE.</p>		

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

TERMS OF REFERENCE FOR THE APPOINTMENT OF A TRANSACTIONAL ADVISOR TO CONDUCT A PREFEASIBILITY STUDY ASSESSMENT FOR DETERMINATION OF PROJECT INVESTMENT POTENTIAL OPPORTUNITIES.

1. PURPOSE

1.1 This term of reference is inviting an experienced Transactional Advisor (TA) to develop a prefeasibility study assessment for determination of project investment potential opportunities.

2. BACKGROUND

2.1 TEDA is a wholly owned municipal entity of the City of Tshwane (CoT) and its mandate includes stimulation of economic activities, a key driver in accelerating economic growth and job creation within the Tshwane area.

2.2 The entity has identified an opportunity to locate project investments in Pretoria – Centurion in the City owned land.

2.3 The strategic project's location is notable critical to ensure success of the investment in the area. There are benefits which are extended on the investments when the location is suitable. A suitable location eradicates most of location challenges thereby enhancing the economic feasibility of the investment project and ensuring that strategic objectives are achieved.

2.4 The entity completed the Centurion Central Business District (CBD) Precinct Plan on behalf of the City of Tshwane Economic Development and Spatial Planning in June 2021. The City is driving the approval process of the plan following the completion of the public participation process.

2.5 The Centurion CBD is a prominent and growing node in the City of Tshwane Metropolitan and Gauteng Province. There are urban management challenges and ad-hoc growth and development in the node. There is still vacant land within the Centurion CBD that should be developed to its full potential.

2.6 The Centurion CBD Precinct is comprised of the Centurion CBD as well as its surrounding suburbs, namely Lyttelton Manor, Lyttelton AH, Doringkloof, Die Hoewes, Zwartkop and Hennospark. Tshwane Ward 57, Ward 65, Ward 66 and Ward 78 will be directly impacted by the Precinct Plan. The Precinct is home to Centurion Lake and the Hennops River.

2.7 The purpose of the Centurion CBD Precinct Plan will be to guide future development and investment within the Centurion Precinct by recommending projects and partnerships to ensure the successful implementation of projects. By undertaking a good development planning process, it can be ensured that future developments will be integrated with existing developments to create a fully functional, livable and sustainable precinct.

2.8 The precinct plan also provides guidance towards the implementation of the Urban Development Framework. The emphasis is on catalytic projects and interventions to be undertaken by the municipality, as the key drivers for development and urban renewal in the area. This will set the scene and facilitate continued private sector development.

2.9 Following the Urban Development Framework implementation guidelines of the Precinct plan, the entity has identified the following land parcels for investments projects which are municipality owned as indicated in the table below.

Table 1: Site identified in the precinct.

Site	Main Suburb Area	Erf	Area Size m ²		Area Size ha	Existing Land Use	Zoning	Proposed Land Use	Suggested Use	Use Description
1	Verwoerdburgstad (Centurion CBD)	RE4/84	87980	87980	8,8	Vacant and Informal Taxi rank	Special	MIXED USE	Gateway / Flagship Development: Entertainment, Hotel & Conference, Flagship Offices, Integrated Public Transport Hub	Hotel/s, conference and entertainment centre with pedestrian bridge link to Centurion Mall. Formalised public transport facility. Controlled ingress and egress points for public transport vehicles, with one-way internal vehicle circulation. Formal vendor facilities with water and sanitation (toilets and running water) adhering to health and safety standards. Safe pedestrian friendly crossing from Taxi/Bus rank to Centurion Mall. Incorporate open air plaza.

Site	Main Suburb Area	Erf	Area Size m ²	Area Size ha	Existing Land Use	Zoning	Proposed Land Use	Suggested Use	Use Description
									If required and agreed to with Department of Public Works & Infrastructure (DPWI), small government precinct (Home Affairs, SARS).
2	Verwoerdburgstad (Centurion CBD)	2 / 84	17160	1,7	Vacant - no structures	Municipal	MIXED USE	Medical, Retail, Residential	Medical Facility, a small convenience retail component, residential apartments above. There exists a demand for four (4) primary healthcare facilities and a private hospital with a bed capacity of ±52 beds (Based on international mean number of beds per 1000 medical aid beneficiaries). Incorporate open air plaza (safer social gathering area - covid-19).
		2 / 84	17480	1,7	Vacant - no structures	Business 1			
		1 / 84	3646		New build taxi rank	Business 1	TRANSPORT	Gautrain Bus/Metro Bus/Taxi Stop	Redevelop/Integrate the newly built (not used) Centurion Taxi Rank in small Transport Hub for Gautrain Bus stop, e-hailing, metered taxis and public transport pick-up drop-off for surrounding uses (medical/residential and opposite educational). Create Pedestrian Zone along street boundary and linking up with

Site	Main Suburb Area	Erf	Area Size m ²		Area Size ha	Existing Land Use	Zoning	Proposed Land Use	Suggested Use	Use Description
3	Verwoerdburgstad (Centurion CBD)	RE/43	1500	1500	1,5	Vacant - no structures	Business 4	MIXED USE MIXED USE	Tertiary Educational, High Density Residential	Pedestrian Bridge to Centurion Mall. Suggested possibilities: UNISA Centurion Campus/ Boston College/TVET College. High Density Residential (Student or Studio Apartments). Synergy with existing Centurion Academy and Damelin Academies opposite the site.
	Verwoerdburgstad (Centurion CBD)	1/43	14196	3591	0,4	Parking for Centurion Academy	Business 4			
		2/43		3583	0,4		Business 4			
		3/43		3430	0,3		Business 4			
		4/43		3592	0,4		Business 4			

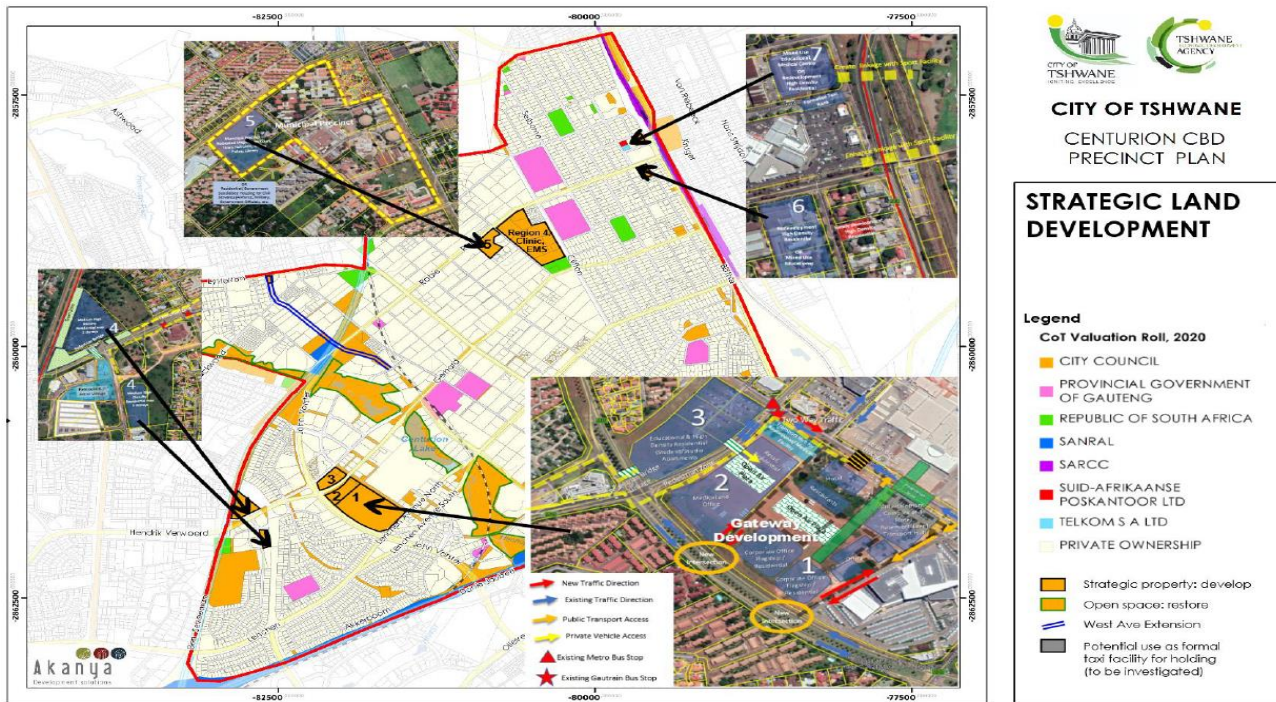
4	Zwartkopp	1932	30290	30290	3,0	Vacant	Commercial	HIGH DENSITY RESIDENTIAL	Medium High Density Residential - (3 storey max)	High Density Residential - Middle income. Pedestrian Zone along street boundary. Encourage further development of existing "Restaurant and Artist Village" with safe pedestrian link.
		1935	12660	12660	1,3	Vacant	Commercial	HIGH DENSITY RESIDENTIAL	Medium High Density Residential - (3 storey max)	

5	Die Hoewes	46/147	32840	32840	3,3	Vacant	Municipal	MUNICIPAL	Employer Residential / Municipal Precinct	Option 1: Residential (Government Subsidised housing for Civil Servants e.g. Military, Government Officials, SAPS, etc.)
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Site	Main Suburb Area	Erf	Area Size m ²	Area Size ha	Existing Land Use	Zoning	Proposed Land Use	Suggested Use	Use Description
									Option 2: Relocate Lyttelton Manor Municipal Sub-Node. New Town Hall, Magistrates Court, Metro Police. Tshwane Customer Care Centre, Library.

2.10 The figure 1 below further indicate the locality of the proposed site for investigation.

Figure 1: Site location in the precinct.



2.11 The purpose of this term of reference is to investigate further the market and technical development requirements associated with the land parcels with the aim of making an informed decision. The elements of the pre-feasibility study will be expounded in the scope items below.

2.12 Consequently, TEDA intends to procure the service of an experienced service provider to conduct a pre-feasibility study to investigate and determine the viability of locating various project investments in the land parcels. In addition, to determine the plethora of possible investments to be extended to the land parcels. The projects could be new or extension of existing investment.

2.13 In pursuit of achieving the City’s investment drive and identification of strategic/ catalytic and game changer project an experienced service provider is sought.

3. SCOPE OF SERVICE

3.1 The scope of services expected in terms of this is detailed below as follows: A priced proposal with deliverables and timelines which corresponds with the scope of work below must be submitted as per the attached pricing schedule (MBD 3.3) – **This form should be completed as indicated.**

3.3.1 **Inception approach:** The inception report should describe the understanding and interpretation of the service provider’s plan of action or approach which will cover key elements as indicated in the Terms of Reference. In addition, this will cover timelines required for conducting the study. Further information to enhance this approach will be considered.

DELIVERABLE 1 – Inception Report

3.3.2 **Status quo analysis:** This should cover background, development vision, morphology design principles, role and function of development area, market analysis, demographics, trends, and review of current plans, policies, legislation etc.) in relation to the indicated city owned land parcels The economic and business plateau of centurion. The SWOT (Strength, weakness (limitations), threats and opportunities in the land parcels of the City owned land.

DELIVERABLE 2 – Status Quo analysis Report

3.3.3 **Technical information:** This information covers all material scientific and technical information in respect of the subject property. This should cover high-level geo tech investigations, basic environmental studies, bulk service investigations, in respect of the land parcels identified.

High-level Geotechnical studies:

Geotechnical report means a scientific study or evaluation conducted by a qualified expert that includes a description of the ground and surface hydrology and geology. This includes the affected landform and its susceptibility to mass wasting, dolomitic conditions, erosion, and other geologic hazards or processes. The objective is to determine the various geotechnical soil/bedrock zones and regional geology based on existing information and a site walkover. Present the typical preliminary foundation recommendations for the proposed new developments, designs, and precautionary measures in accordance with the requirements of the local authorities. Comment on the expected quality of the in-situ soils for the use in roads and paved areas as well as for surface beds underneath foundations.

This should include the conclusions and recommendations regarding the effect of the proposed development on geologic conditions, the adequacy of the site to be developed, the impacts of the proposed development, alternative approaches to the proposed development, and measures to mitigate potential site-specific and cumulative geological and hydrological impacts of the proposed development, including the potential adverse impacts to adjacent and down-current properties. Geotechnical

reports shall conform to accepted technical standards and must be prepared by qualified professional engineers or geologists who have professional expertise about the regional and local shoreline geology and processes. A high-level report is expected in relation to the identified property.

DELIVERABLE 3 – High-level Geotechnical study Report

Basic Environmental studies:

A high-level basic Environment Impact Assessment (EIA) scoping report that examines the environmental and socio-economic impacts of the Project. The EIA report shall be prepared considering all applicable national, provincial, and local legislation, codes of practice, guidelines, standards, and directives. The contents of the report shall include, but not limited to: Project description, public participation process, Constraints and alternatives, Air quality, climate and noise, Hydrogeology, Hydrology, Conservation and reclamation, Biophysical resources, and all other aspects that needs to form part of the assessment. A high-level report is expected in relation to the identified property.

DELIVERABLE 4 – Basic environmental scoping Report

Water Use Land Assessment (WULA)

The service provide will be expected to consider the activities which trigger the Water Act and undertake service which relate to the compliance including solicitation of relevant regulatory permits/license. A high-level report is expected in relation to the identified property.

DELIVERABLE 5 – WULA Report

Bulk Services Investigations:

The bulk service investigations will include electricity, water and sanitation and stormwater network connection points viability. The report will amplify the report on bulk service on the Centurion Precinct plan developed. The service provider is also expected to provide estimated costing of connection in the identified property, as such a high-level report is expected in relation to the identified property.

DELIVERABLE 6 – Bulk Services Report

Land Use right: the required zoning

The assessment of site readiness to support the proposed investments in terms of land use rights (zoning (rezoning) or township establishment application), land acquisition or land or land availability agreement, land use rights (rezoning or township

establishment). In addition, a due diligence in terms of ownership and any land claims application.

DELIVERABLE 7 – Land Use right Report

The market land value determination: a report on evaluation of the land parcels.

The market valuation of the land parcels should be determined informed by all parameters to determine the true value. In addition, the property rentals/ leases should be determined. A valuations certificates should be produced to accompany the report.

DELIVERABLE 8 – The market land value determination Report

- 3.3.4 **Economic and financial information:** This information covers all viability options in economic and financial scope in respect of the subject property. This should determine market demand analysis of the proposed investments in the land parcels, priorities of this investment and provided high-level financial structure.

Market Demand analysis

The analysis should cover the needs and rationale of the proposed investment as guided by City' strategic planning documents. This should explore sectors of interest over and above the proposed development in the Precinct plan. A detailed meso and micro-level (Site focused) market environment analysis should be conducted for the land parcels to consider:

- (i) Initial scoping of development opportunities.
- (ii) Property development and growth status quo investigation relevant to each specific site.
- (iii) Evaluation and Investigation of other land use developments.
- (iv) Potential competing development; and Potential synergetic developments
- (v) Infrastructure presence or lack thereof.
- (vi) Ingress / egress to and from the site

In addition to establish whether the market would show interest in investing, develop or occupy space through long-term lease arrangements supported by key components of demand. Also, conduct market sounding, which should be recorded and noted from meetings or written communication or even communication through company letter heads.

DELIVERABLE 9 – Market Demand Analysis Report

Economic and financial analysis

High-level economic sense and soundness of the proposed investments. This should be accompanied by financials to establish commercial viability of the proposed investments in the land parcels. A report should cover these elements and beyond.

DELIVERABLE 10 – Economic and Financial Analysis Report

- 3.3.5 **Investment risk analysis information:** This information covers all risks associated with various proposed options for development the identified land parcels.

Investment Risk analysis

This should consider all relevant risks of the investments. The activity to include risk identification, assessment, allocation, and mitigations. The impact on investments as a result of risks should be indicated. This should traverse commercial, economic, financial, legal, contractual, environmental, technical risks etc. A risk matrix and register should be developed.

DELIVERABLE 11 – Investments Risks Analysis Report

- 3.2 Final Prefeasibility study report and presentation (Ms PowerPoint) in the following format Microsoft Word, PDF and submission should be in a USB flash drive.

4. SPECIAL CONDITIONS

- 4.1 The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract and SLA entered.
- 4.2 The successful Bidder or Professional will be required to enter into a formal contract and service level agreement with Tshwane Economic Development Agency (TEDA).
- 4.3 This bid and all contracts emanating there from will be subject to the General Conditions of Contract (GCC). The Special Conditions are supplementary to that of the General Conditions of Contract. Where, however the Special Conditions of Contract conflict with General Conditions of Contract, the Special Conditions of the Contract prevail.
- 4.4 **Bidders who are in the employ of the State shall automatically be disqualified.**
- 4.5 Bidders who has disputed Municipal rates and taxes and or services towards the municipality or other services suppliers in respect of which payment is overdue for more than 30 days shall automatically be disqualified.
Municipal account submitted may be verified with the relevant municipality. Only municipal accounts less than 3 months will be accepted.

Should the bidder be renting in a leased property, both lessor and the lessee's agreement must be furnished together with the landlord's municipal account or statement. Municipal account must be submitted together with the bid documents.

Municipal account requirements are applicable to sub-contracting companies and join-ventures. ***(Failure to comply with the above requirement will lead to disqualification).***

Should the bidder be renting in a leased property, both lessor and the lessee's agreement must be furnished together with the landlord's municipal account or statement.

- 4.6 **All Bidders must continuously monitor amendments that may be made on TEDA the e Tender and TEDA website for the above bid. TEDA will not be held liable/responsible if Tenderers do not view responses to questions/queries/comments which were posted on the e-Tender portal and TEDA website.**
- 4.7 TEDA reserves the right to enter negotiations with the recommended services provider(s).
- 4.8 Shortlisted bidders may be invited for a presentation.
- 4.9 The technical methodology criteria of the functionality assessment must outline the approach and plan of the proposer and is critical to convince the BID evaluation team on the appreciation of the work required. It will also form as part of the basis for service level agreement content and related negotiations.
- 4.10 No service may be rendered without an official order.
- 4.11 Failure to comply with any of the conditions and special conditions may lead to disqualification.
- 4.12 In case, a joint venture or consortium bid for the tender, an agreement of the parties should be submitted, and relevant documents submitted. A team constituted for the sake of submission should be maintained when the bidding is successful.
- 4.13 **At the inception meeting the successful service provider shall submit a letter to TEDA confirming the composition of the team members as per bid submission or equivalent team members with similar credentials, failure shall lead to immediate termination.**
- 4.14 Bidders that scores less than **75 points** on functionality will not be evaluated further on Price and PPPFA.

4.15 **The expected team should jointly be led by a Professional Economics/Finance Advisor and Professional Planner registered in terms of the Planning Professions Act 36 of 2002.** It is expected that the technical methodology must cover the resources to be deployed to the study in accordance with the deliverables.

4.16 The supporting team for development of the prefeasibility study will comprise the following professionals:

- a. Professional Registered Engineer (s).
- b. Professional Valuer registered with SACPCV or any other recognized professional body.
- c. Professional Environmental Science Specialist.

5. GUIDELINES FOR SUBMISSION OF PROPOSAL

5.1 The proposals for the envisaged project should be submitted to TEDA before the closing date, at the physical address; 1277, Mike Crawford, Lakeview 3rd floor, Centurion, 0157.

5.2 Addressed to the Senior Manager: Supply Chain Management. Your submission must reflect Bidders name, Bid number, Closing date, and address of Bidder.

5.3 In addition to the submission of the proposal, a résumé of the team members with experience must be included. The CVs must indicate the expertise and experience that each brings to the project.

6. DURATION OF CONTRACT

6.1 The estimated time duration is four (4) months.

6.2 The proposal should indicate realistic time frames against the deliverables of the contract.

7. INFORMATION

7.1 Additional information as may be deemed appropriate must be submitted.

8. TIMEFRAMES

8.1 Time frame for deliverables will be as per the Terms of Reference or the approved project plan or project schedule. Any extension or amendments to the scope or

time frame must be approved by TEDA in writing through the client representative.

9. ADDING VALUE

9.1 It is expected that potential service providers will critique the brief with the purpose of adding value where possible in the proposal to be submitted. Thus, the onus is on the service provider to add value to the brief in terms of their special competencies about the study project.

10. COST OF SUBMISSION OF PROPOSAL

10.1 TEDA is not responsible for any costs incurred by the service providers in the process of developing the proposals. The submitted budget for this project must incorporate all expenses to be incurred by the service provider.

11. OWNERSHIP OF INTELLECTUAL PROPERTY RIGHTS

11.1 The ownership of all Intellectual Property Rights associated with this work will be vested within TEDA, for its exclusive use, or for use by the TEDA. Whereas any other stakeholder requires TEDA's prior consent to use all work developed within the assignment.

12. CRITERIA FOR SELECTION OF SERVICE PROVIDERS

12.1 The tender will be evaluated in terms of the Preferential Procurement Policy Framework Act using the 80/20 points system, whereas 80 is price and 20 is PPPFA.

12.2 A functionality component will be used as a prequalification for further evaluation on 80/20.

12.3 Functionality points will be evaluated as follows:

See below components, evidence and weight which will serve as the basis of evaluation:

COMPONENTS OF TENDER TO BE EVALUATED	EVIDENCE	WEIGHTING
	<p>TRANSACTIONAL ADVISORY TEAM SHOULD COMPRISE OF THE FOLLOWING TEAM EXPERTISE – (Submit detailed CVs, certified qualifications, and references letters from Clients in their letterheads or testimonial letters should be provided).</p>	

<p>TEAM EDUCATIONAL QUALIFICATION AND INDIVIDUAL EXPERIENCE</p>	<p>Joint-Lead</p>	<p>Bidders are expected to indicate a Joint-Lead Professionals of the TA with Economics or Finance and Planner qualifications. The joint-lead should be registered or accredited professionals with recognised professional bodies. The joint-lead should be able to demonstrate:</p> <ul style="list-style-type: none"> • economics or finance and planning expertise in investment or project preparation for business transaction at least in the priority sectors as recorded in the Gauteng Province (GGT 2030) and the City of Tshwane (LED Strategy). • Indicate the number of years' work experience. <p><u>Points Allocations:</u></p> <p>1. Joint lead Qualifications and Experiences: <u>(25 WEIGHT)</u></p> <p>1.1 Economics/Finance with professional registration - <u>(Total - 7 points)</u></p> <ul style="list-style-type: none"> • MBA, CFA, CA, MCom (Economics) <i>(7 points)</i>. • BCom (hon)(Finance/Economics) <i>(5 points)</i>. • BCom/ National Diploma/ Certificate (Finance/Economics) <i>(3 points)</i>. • No qualification <i>(0 points)</i>. <p>1.2 Economics/Finance work Experiences - <u>(Total - 5 points)</u></p> <ul style="list-style-type: none"> • More than 10 years' work experience. <i>(5 points)</i>. • Between 7-10 years' work experience. <i>(4 points)</i>. • Between 4-6 years' work experience. <i>(3 points)</i>. • Between 1-3 years' work experience. <i>(2 points)</i>. • 0 years' work experience. <i>(0 points)</i> <p>1.3 Planning with professional registration - <u>(Total - 7 points)</u></p>	<p>40</p>
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		<ul style="list-style-type: none"> • Master's in planning and Pr. Eng/Pr. Tech Eng. (7 points). • Honours or postgrad in planning and Pr. Eng/Pr. Tech Eng. (5 points). • B.Eng. / Nat Diploma. (3 points). • No qualification (0 points). <p>1.4 Planning work experiences - <u>(Total - 5 points)</u></p> <ul style="list-style-type: none"> • More than 10 years' work experience. (5 points). • Between 7-10 years' work experience. (4 points). • Between 4-6 years' work experience. (3 points). • Between 1-3 years' work experience. (2 points). • 0 years' work experience. (0 points) 	
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	<p>Supporting (Technical) Team</p>	<p>Bidders' supporting team are expected to indicate technical related qualifications and registered or accredited professional with appropriate professional bodies. The team members (Professional Engineer (s), Valuer, and Environmental Specialist etc.) should be able to demonstrate:</p> <ul style="list-style-type: none"> • Related technical expertise in investment or project preparation for business transaction in the high performing sectors as recorded in the Gauteng Province (GGT 2030) and the City of Tshwane (LED Strategy). • Indicate the number of years' work experience. <p><u>Points Allocations:</u></p> <p>1. Support (Technical) Team Qualifications and Experiences: <u>(15 WEIGHT)</u></p> <p>1.1 Professional Engineer with professional registration - <u>(Total - 3 points)</u></p> <ul style="list-style-type: none"> • Master's in engineering and Pr. Eng/Pr. Tech Eng. <i>(3 points)</i>. • Honours or postgrad in engineering and Pr. Eng/Pr. Tech Eng. <i>(2 points)</i>. • B.Eng / Nat Diploma/ Certificate. <i>(1 points)</i>. • No qualification <i>(0 points)</i>. <p>1.2 Professional Engineer work experiences - <u>(Total - 2 points)</u></p> <ul style="list-style-type: none"> • More than 5 years' work experience. <i>(2 points)</i>. • Less than 5 years' work experience. <i>(1 points)</i>. • 0 years' work experience. <i>(0 points)</i>. <p>1.3 Professional Valuer with professional registration - <u>(Total - 3 points)</u></p> <ul style="list-style-type: none"> • Masters in Property Valuations and Professional registration (SACPVP) <i>(3 points)</i>. 	
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		<ul style="list-style-type: none"> • Honours or postgrad in property valuations and Professional registration (SACPVP) (2 points). • B.Com / Nat Diploma/ Certificate and Professional registration (SACPVP). (1 points). • No qualification (0 points). <p>1.4 Professional Valuer work Experiences - <u>(Total - 2 points)</u></p> <ul style="list-style-type: none"> • More than 5 years' work experience. (2 points). • Less than 5 years' work experience. (1 points). • 0 years' work experience. (0 points). <p>1.5 Environmental Specialist with professional registration - <u>(Total - 3 points)</u></p> <ul style="list-style-type: none"> • Master's in environmental management and Registered EAP/ Pr. Sci. Nat. (3 points). • Honours or postgrad in environmental management and Registered EAP/ Pr. Sci. Nat. (2 points). • B.Sc / Nat Diploma/ Certificate and Registered EAP/ Pr. Sci. Nat. (1 points). • No qualification (0 points). <p>1.6 Environmental Specialist work Experiences - <u>(Total - 2 points)</u></p> <ul style="list-style-type: none"> • More than 5 years' work experience. (2 points). • Less than 5 years' work experience. (1 points). • 0 years' work experience. (0 points). 	
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<p>PREVIOUS EXPERIENCE</p>	<p>Indication of Bidder’s experience in investment or project preparation for business transaction at least in the priority sectors as recorded in the Gauteng Province (GGT 2030) and the City of Tshwane (LED Strategy). This should be demonstrated through number of prefeasibility or feasibility studies or business plans completed for the past 10 years. Contactable references from Clients in their <u>letterheads (Testimonial letters)</u> are required. NOTE: Appointment letters will not be evaluated.</p> <p><u>Points Allocations:</u></p> <ul style="list-style-type: none"> • Number of prefeasibility or feasibility studies or business plans completed - 6 or more studies. (25 points). • Number of prefeasibility or feasibility studies or business plans completed - 5 five studies. (20 points). • Number of prefeasibility or feasibility studies or business plans completed -4 studies. (15 points). • Number of prefeasibility or feasibility studies or business plans completed – 3 studies (10 points). • Number of prefeasibility or feasibility studies or business plans completed – 2 studies. (5 points). • Number of prefeasibility or feasibility studies or business plans completed – 1 study (2 points). • No prefeasibility or feasibility studies or business plans completed. (0 points). 	<p>25</p>
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<p>TECHNICAL APPROACH AND METHODOLOGY</p>	<p>Methodology, knowledge, and proven track record in respect of the subject matter. Bidders are to note the following:</p> <ul style="list-style-type: none"> • The transaction must be <u>jointly led by professionals with Finance or Economics and planning qualifications</u> and registered or accredited professional with related bodies. • In respect of methodology, Bidders are required to indicate in a comprehensive and coherent manner the deliverables in respect of the scope of services and how such deliverables will be achieved. • In terms of Knowledge of the subject matter, Bidders are to indicate the following: <ul style="list-style-type: none"> ○ the duration of the service and include realistic project plans and ○ record of acumen and infrastructure / tools to undertake the scope of work. <p><u>Points Allocations:</u></p> <ul style="list-style-type: none"> • Important issues are approached in an innovative and efficient way, indicating the team has outstanding knowledge of state-of-the-art approaches. The approach paper details ways to improve the project outcomes and the quality of the outputs (30 points). • The approach is specifically tailored to address the specific project objectives and requirements and is sufficiently flexible to accommodate changes that may occur during execution. (22 points). • The approach is generic and not tailored to address the specific project objectives and requirements. The approach does not adequately deal with the critical characteristics of the project. (14 points). • The technical approach and/or methodology is poor/ is unlikely to satisfy project objectives or requirements. The team has misunderstood some aspects of the scope of works and does not deal with 	<p>30</p>
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	<p>the critical aspects of the project. (6 points).</p> <ul style="list-style-type: none"> The methodology was not submitted with the bid. (0 points). 	
BUSINESS LOCATION (BUSINESS ADDRESS)	<p>Given the locality of TEDA and in order to minimise costs of travel and support local business. The bidders are to note that bidders located in the City of Tshwane will be given preference.</p> <p><u>Points Allocations:</u></p> <ul style="list-style-type: none"> Tshwane Business locality. (5 points) Gauteng Business locality, outside Tshwane. (3 points). Outside Tshwane and Gauteng Province. (1 points). 	5
TOTAL		100

12.4 Special condition: Bidders that score less than **75 points** on functionality will not be evaluated further on Price and PPPFA.

13. COMPLIANCE

13.1 The proposal must either conform to the minimum requirements as set out in this document, or it must be stated clearly how it deviates from these requirements and why. Proposals strictly sticking to specifications are preferred. Offers exceeding the minimum requirements of the specifications are acceptable. Minor deviations may be considered.

13.2 This document will be a binding contract between the successful service provider and TEDA once the proposal has been accepted by the organization.

13.3 Service providers are at liberty to discuss any aspect of this request for proposal with the entity and enquiries must be referred to:

Bid enquiries:

Ms Mokgadi Mapokane
Tel: 012 358 6539
E-mail: MokgadiMa@tshwane.gov.za

Technical enquiries:

Mr Gabriel Motlotsi
Tel: 012 358 6528

E-mail: gabrielmo@tshwane.gov.za

14. PAYMENTS

- 14.1 Payment shall be made on rendering of a professional satisfactory service and submission of the required report.
- 14.2 Payment shall be made into the service provider's bank account after the receipt of an acceptable invoice. (Banking details MUST be submitted for payment to be processed).
- 14.3 Based on the study deliverables, TEDA reserves the right to process payment according to deliverables completed satisfactorily guided by the terms of reference, Bid submission and Inception report.

15. NON-COMPLIANCE WITH DELIVERY TERMS

- 15.1 As soon as it becomes known to TEDA that the incumbent will not be able to render services within the expected period and/or against the quoted price and/or as specified, TEDA must be given immediate written notice to this effect. In instances of non-compliance with certain sections of the contract by the service provider, TEDA reserves the right to terminate the agreement.

16. CONFIDENTIALITY

- 16.1 This proposal and all information in connection therewith shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. Bidders shall undertake to limit the unauthorized number of copies of this document. All bids are bound by confidentiality agreement preventing the unauthorized disclosure of any information regarding TEDA or of its activities to any other organization or individual. The bidders may not disclose any information, documentation, or products to other clients without written approval of TEDA.

17. COPYRIGHT

- 17.1 Copyrights of all documentation (reports) etc. in relation to this bid belong to TEDA. The successful bidder may not disclose any information, documentation, or products to other clients without written approval of TEDA.

18. AWARD OF A CONTRACT

- 18.1 A contract may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points.
- 18.2 Only a bidder who has completed and signed the declaration part of the preference points claim form will be considered for preference points.
- 18.3 Before a bid is adjudicated or at any time, it may be required from a bidder to substantiate claims it has made regarding preference points claimed.

18.4 Points scored will be rounded off to the nearest 2 decimals. If two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals.

19. NON-COMMITMENT

19.1 TEDA is not bound to accept any of the bids submitted. TEDA reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference prior to the closing date. The cost of preparing bids will not be reimbursed.

20. FRAUD AND CORRUPTION

20.1 All prospective service providers are to take note of the implications of contravening the Prevention and Combating of Corrupt Activities Act, Act No 12 of 2004 and any other Act applicable.

21. REVIEW PROCESS

21.1 Compliance with requirements:

- i. To evaluate and adjudicate bids effectively, it is imperative that bidders submit responsive bids. To ensure that a bid is regarded as responsive it is imperative to comply with all conditions and to state whenever there are deviations.
- ii. Documents submitted on time by bidders shall not be returned and shall remain the property of TEDA.

22. REASONS FOR REJECTION

22.1 TEDA reserves the right to return late bid submissions unopened. TEDA reserves the right to disqualify bids that are not according to specification/Terms of Reference. Bidders must clearly indicate compliance or non-compliance with specification/Terms of Reference.

22.2 Bidders shall not contact TEDA on any matter pertaining to their bid from the time the bids are closed to the time the bid has been awarded. Any effort by a bidder to influence the bid evaluation, bid comparisons or bid award decisions in any matter may result in rejection of the bid concerned. TEDA shall reject a submission if the bidder has committed a proven corrupt or fraudulent act in competing for a particular contract.

- 22.3 TEDA may disregard any submission or cancel an existing contract if that bidder, or any of its directors have:
- (i) Abused the Supply Chain Management (SCM) system of any organ of state.
 - (ii) Committed proven fraud or any other improper conduct in relation to such system.
 - (iii) Failed to perform on any previous contract and the proof thereof exists.
 - (iv) Is restricted from doing business with the public sector if such a supplier obtained preferences fraudulently or if such supplier failed to perform on a contract based on the specific goals.

23. PRICING

- 23.1 All prices must be in South African Rand value and must be inclusive of VAT. Fees will be payable in South African Rands, on satisfactory completion of the assignment and or deliverables. Tshwane Economic Development Agency reserves the right to negotiate the cost of deliverables reflected where deemed necessary.
- 23.2 Bidders are required to prepare the responses based on the Price considering the scope of work.
- 23.3 Payment and the Price will be according to deliverables completed. Bidders are therefore required to indicate in respect of each deliverable in the scope of work in relation to payment to be made by TEDA.
- 23.4 Disbursement claim can be processed as per deliverable guided by the percentage split determination.

24. PARTIES NOT AFFECTED BY WAIVER OR BREACHES

- 24.1 The waiver (whether express or implied) by any Party of any breach of the terms or conditions of this contract by the other Party shall not prejudice any remedy of the waiving party in respect of any continuing or other breach of the terms and conditions hereof. No favor, delay, relaxation, or indulgence on the part of any Party in exercising any power or right conferred on such Party in terms of this contract shall operate as a waiver of such power or right nor shall any single or partial exercise of any such power or right under this agreement.

25. TERMINATION FOR DEFAULT

- 25.1 TEDA, without prejudice to any other remedy for breach of contract, by written notice of default sent to the bidder may terminate this contract in whole or in part:

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

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

26. RETENTION

26.1 On termination of this agreement, the bidder shall, on demand, hand over all documentation provided as part of the project and all deliverables, etc., without the right of retention, to TEDA.

26.2 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

27. SCREENING AND VETTING

27.1 Acceptance of this bid may be subject to the condition that both the contracting bidder and its personnel providing the service must be cleared by the appropriate authorities to the level of **Confidential/Secret/ Top Secret**.

27.2 All bidders shall be vetted through National Treasury and any defaulters will be disqualified.

28. CLIENT BASE

28.1 Bidders must have specific experience in the delivery of the required service and must submit recent references or client base reflecting the entity where a similar service (Development of studies -prefeasibility or feasibility, market study document for priority sector project). TEDA reserves the right to contact references during the evaluation and adjudication process to obtain confirmation. Contactable references from Clients in their **letterheads (Testimonial letters)** are required. **NOTE:** Appointment letters will not be evaluated.

29. COMPANY PROFILE, CENTRAL SUPPLIER DATABASE REPORT

- 29.1 Bidders may be a sole proprietor with relevant subcontractors or a company with the relevant subcontractors.
- 29.2 Bidders must submit a company or sole proprietor profile together with the CSD report.
- 29.3 Bidders to submit PPPFA certification or an affidavit certified by the Commissioner of oath or the SAPS.
- 29.4 The service provider who will contract with TEDA must be registered on the CSD as per National Treasury Circular.

30. REGISTRATIONS

- 30.1 Proof of company registration must be submitted in the form of copies of the relevant registration documents e.g., CC/CK, PTY (Ltd). It is the responsibility of the bidder to ensure that their CIPC annual returns are in order and the registration remains valid throughout the contract tenure.

31. TAX CLEARANCE CERTIFICATE

- 31.1 A valid Tax Clearance Certificate with a Pin issued by the South African Revenue services (SARS) certifying that the taxes of the bidder are in order must be submitted before the closing date and time. It is the responsibility of the bidder to ensure that their SARS annual returns are in order and the registration remains valid throughout the contract.

32. EVALUATION BASIS AND PROCESS

- 32.1 Bids will be evaluated on 3 categories:
- (i) Compliance with minimum requirements of the bid,
 - (ii) Technical content (functionality), **(75 points)** minimum
 - (iii) Comparative evaluation based on Price and BEE.
- 32.2 Bids will be evaluated in accordance with the pre-scripts of the Preferential Procurement Policy Framework Act (PPPFA), which stipulates an **80/20**-point split for requirements not exceeding R50 million.

33. PROJECT LEADER

- 33.1 The project leader will be the end-user for the unit that has requested the service.

34. LATE BIDS

- 34.1 Bids received late shall not be considered.

Pricing schedule

(Professional Services)

MBD3.3

Name of Bidder.....

Bid Number: **03/03/24.**Closing Time: **11:00 am**Closing Date: **30 April 2024**

OFFER TO BE VALID FOR (90) DAYS FROM THE CLOSING DATE OF BID.

SERVICE DESCRIPTION: PRICING SCHEDULE FOR THE APPOINTMENT OF A TRANSACTIONAL ADVISOR TO CONDUCT A PREFEASIBILITY STUDY ASSESSMENT FOR DETERMINATION OF PROJECT INVESTMENT POTENTIAL OPPORTUNITIES.

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

(Additional information may be provided separately)

3. DELIVERABLES ACCORDING TO WHICH THE STUDY WILL BE UNDERTAKEN, FEES PER DELIVERABLE AND RELEVANT TIMELINES

ITEM	DELIVERABLES	INDICATIVE DURATION (WEEKS/MONTH)	PRICE PER DELIVERABLE (VAT EXCL.)
1	Inception Report		R
2	Status Quo Analysis Report		R
3	High-level Geotechnical study Report		R
4	Basic environmental scoping Report		R
5	WULA Report		R
6	Bulk Services Report		R
7	Land Use right Report		R
8	The market land value determination Report		R
9	Market Demand Analysis Report		R
10	Economic and Financial Analysis Report		R
11	Investments Risks Analysis Report		R
12	Disbursements (NB – This can be distributed as per deliverable)		R
SUBTOTAL			R
VAT at 15%			R
TOTAL BID PRICE			R

3.1 Travel expenses. This cost must be included in the total bid price. All applicable taxes to be "included" includes Value Added Tax, pay as you earn, Income tax, Unemployment Insurance Fund contributions and skills development levies.

4. Period required for commencement with project after acceptance of bid.....

5. Estimated duration to complete the Project as per the Project Plan.....

6. Are the rates quoted firm for the full period of contract?*YES/ NO

7. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index

8. Does your offer comply with the terms of reference or not (*YES/ NO) if not, state the extent of deviation on a separate sheet.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause

21.2 without the application of penalties.

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

- (b) 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.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)