



dcstm

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



Third Floor, Tirelo Building

Albert Luthuli Drive
Mafikeng, 2745, P/Bag X 19 Mmabatho 2735

SUPPLY CHAIN MANAGEMENT

COMPANIES ARE INVITED TO SUBMIT THEIR BIDS FOR:

BID NO	DESCRIPTION	BID DOCUMENTS AVAILABILITY	EVALUATION CRITERIA	BRIEFING SESSION	ENQUIRIES	CLOSING DATE
CS&TM 06/23/24	Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years	Bid documents will be available from 27/03/2024 at the Department of Community Safety and Transport Management –Tirelo Building – Acquisition Office No.35, Ground floor, Albert Luthuli Drive Mmabatho Departmental website A non- refundable deposit of R 200.00 is payable in cash for each document. Account Name: FNB Account Number: 6281 1733 246 Branch Code: 210-244 Account Type: Cheque Reference Name: CS&TM 06/23/24 & Company Name	90/10 Price - 90 Specific Goals - 10 (as per the Specific Goals Equity Points Allocation Table below)	NONE	Ms L. Motlhamme / Ms T. Bogatsu Tel: 018 200 8416 / 8481 (for bid documents only) Mr S. Tladi Tel: 018 200 8089 (for specifications)	26/04/2024 At 11:00

Bids documents, in a sealed envelope displaying "CS&TM:06/23/24", the closing date, name and address of the company , must be deposited in the departmental Bid/Tender Box situated at The North West Provincial Department of Community Safety and Transport Management Safety House, 31-34 Molopo Road, Mahikeng (Main Entrance) Security Check Point.

North West Department of Community Safety & Transport Management does not bind itself to accept bids which are incomplete, reserves the right to award this bid in whole or in part, / not award this bid or re-advertise the bid if relevant service provider/(s) to this do not apply.

"Let's Grow North West Together"

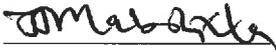


F51

Specific Goals in terms of PPR2022	Points out of 10 for the 90/10 system	Points applied DCSTM	Points Claimed
			By: SP/Supplier
1. Promotion of enterprises owned by people on the black of race(≥51% own by black people)	02		
2. Promotion of enterprises owned by women (51% owned by women)	04		
3. Promotion of enterprises owned by youth (≥51% owned by youth)	02		
4. Promotion of enterprises owned by military veterans (≥51% owned by military veterans)	02		
TOTAL:	10		

IMPORTANT NOTICE: No faxed or e-mailed bid documents will be accepted. Company Registration Certificate indicating % ownership of each Director/ Manager/ Shareholder must be attached to the bid documents and if not the bid will not be considered for evaluation.

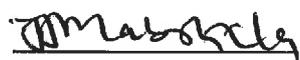
In terms of Preferential Procurement Regulations of 2022 the 90/10 specific goals is applicable.



Mr F.T Mabokela
Director SCM

BID ADVERTISEMENT FORM

Bid description	Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years										
Bid number	CS&TM: 06/23/24										
Name of institution	Community Safety & Transport Management										
The place where goods, works or services are required	The North West Provincial Department of Community Safety - Safety House, 31-34 Molopo Road, Mahikeng North West Province										
Opening date	Date	2	7	0	3	2	0	2	4	Time	11:00
Closing date	Date	2	6	0	4	2	0	2	4	Time	11:00
Contact details	Postal address	N/A									
	Physical address	Safety House 31-34 Molopo Road. Mahikeng (Main Entrance) Security Check Point.									
	Tel	018 381 9110 / 018 200 8416/8184/8139/8075									
	Fax	N/A									
	E-mail	LLMotlhamme@nwpg.gov.za / TheImabogatsu@nwpg.gov.za / stladi@nwpg.gov.za									
	Contact person	Ms L. Motlhamme / Ms T. Bogatsu / Mr S. Tladi									
Where bids can be collected	Department Community Safety & Transport Management at Tirelo building, Ground Floor, Office number 035 Albert Luthuli A non-refundable deposit of R200.00 is payable in cash for each for each document, however, bidders are advised to download the document from e-portal system on www.etender.gov.za										
Where bids should be delivered	The North West Provincial Department of Community Safety - Safety House, 31-34 Molopo Road, Mahikeng (Main Entrance) Security Check Point.										
Category (refer to annexure A)	General										
Sector	Government										
Region	NORTH WEST PROVINCE										
Compulsory Briefing Session	N/A										



Mr F.T Mabokela

Director: SCM



dcstm

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



SUPPLY CHAIN MANAGEMENT

Ref:

Date:

INVITATION TO BID

APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF LEARNER TRANSPORT SERVICES FOR QUALIFYING AND APPROVED LEARNERS TO AND FROM SCHOOLS IN THE FOUR (04) DISTRICTS OF THE NORTH WEST PROVINCE FOR THE PERIOD OF FIVE (05) YEARS

DATE ISSUED: 27/03/2024

CLOSING DATE: 26/04/2024 AT 11H00

TENDER BOX

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

Name Of Bidder		BIDDER VAT REGISTERED? YES: <input type="checkbox"/> NO: <input type="checkbox"/>
Total bid price including VAT (Brought Forward Form SBD1		

MR. F.T MABOKELA

DIRECTOR: SUPPLY CHAIN MANAGEMENT

26/03/24

DATE

"Let's Grow North West Together"



NO	TABLE OF CONTENTS	PAGE
1	Introduction	3
2	Background	3
3	Scope of work	3
4	Main deliverables	3
5	Briefing session	4
6	Duration of contract	4
7	Timeline of the bid process	4
8	Central supplier database	5
9	Instruction to bidders	5
10	Contact details	6
11	Documents in a bid document pack	6
12	Access and disclosure	8
13	Administrative matters	8
14	Condition of acceptance	8
15	Pick up and drop off points	9
16	Use of route and roads	9
17	Formular for claims	9
18	Contracts	9
19	Cancellation	13
20	Fares	14
21	Variations	14
22	Vehicles	15
23	Penalties	16
24	Insurance	18
25	Independent contractor	19
26	Cession, delegation and sub-contracting	20
27	Escalation	20
28	Mediation impacting on social behaviour	20
29	Evaluation	21
30	Technical requirements	23
31	Contract period	23
32	Delivery	24
34	Payments	24

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years

35	Breach of contract	25
36	Inspection	26
37	Obligation	27
38	Service level agreement	27
	Form 1: Schedule of existing vehicles	28

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years



1. INTRODUCTION

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years.

2. BBACKGROUND

In the process of ensuring that quality education is accessible throughout the North West Province, the provincial government took an initiative to provide learners who travel a minimum of 5 kilometers to school with learner transport services in line with the learner transport policy. The Department of Community Safety and Transport Management has appointed operators to provide learner transport in four districts of the province, however, history taught us that operators abandon route/s during the term of the contract or there are new routes as a result of changes in learner travel patterns.

3. SCOPE OF WORK

3.1. PROBLEM STATEMENT

Currently, operators are appointed through a competitive tendering process to render learner transport services in the four districts of the North West province. In the past, the department has experienced situations whereby the operators abandon routes due to many factors. Again, there are new additional routes emanating from either new settlement, which are not accompanied by new schools. As a result, there is always a need to appoint new service providers.

3.2. STATEMENT OF WORK

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years.

4. MAIN DELIVERABLE

- The appointed panel of service providers will be expected to provide learner transport services for the approved learners to and from schools as and when required by the Department.
- The schools, routes, and pick-up points will be determined and made available when the service is needed.

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years



- The bidder will provide buses, midi buses, and train buses that are roadworthy and marked as transport for learners using the remuneration model as follows:

Table 1: Remuneration Band

Rate per vehicle mode x number of km x number of days	Band	Midi bus	Bus	Train bus
	05-10 km	R 65,92	R 79,10	R 116,01
	11-49,9 km	R 59,32	R 72,53	R 106,73
	Over 50 km	R 46,14	R 52,73	R 98,19

5. BRIEFING SESSION

There shall be no compulsory briefing session. However, all inquiries relating to this tender shall be put in writing and emailed to the following addresses:

For bid documents:

Ms. Thelma Bogatsu – 018 200 8184 on ThelmaBogatsu@nwpg.gov.za

For bid specification:

Mr. Steve Tladi 018 200 8089 on stevetladi@nwpg.gov.za

N.B. The department will also respond to inquiries through email to all bidders bidding for this tender.

6. DURATION OF THE CONTRACT

The successful bidders will be appointed for a period of five (05) years.

7. TIMELINE OF THE BID PROCESS

The validity period is **90** days after the closing of the bid. The project timeframes of this bid are set out below:

Activity	Date due
Advertisement of the bid in the: <ul style="list-style-type: none"> - Government Tender Bulletin; and - National Treasury Tender Portal - Local Newspapers 	
Distribution of bid documents on the Department of Community Safety and Transport Management website	
No compulsory briefing session	
Bid closing date	
Notice to bidder(s)	

***Dates are subject to change.**

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years

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

8. CENTRAL SUPPLIER DATABASE [CSD]

- 8.1. Bidders must be registered as a service provider on the Central Supplier Database [CSD]. If you are not registered proceed to complete the registration of your company before submitting your bid. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database is updated and valid.
- 8.2. Bidders are also required to submit their CSD Registration "Summary Report".
- 8.3. Bidders must ensure that their tax status and any other information is up to date on the Central Supplier Database [CSD], valid, and in good standing.
- 8.4. Bidders should further note that the Central Supplier Database (CSD) will be utilised to confirm compliance with tax and other related matters. It is therefore the bidder's responsibility to ensure compliance in all respects.

9. INSTRUCTION TO BIDDERS

- 9.1. Bids must be properly packaged, clearly marked as **CS&TM:** couriered /submitted, and deposited in the tender box on or before the closing date and time at the Department of Community Safety and Transport Management, situated at: -

Physical address

Department of Community Safety and Transport Management

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

Security Check Point

Mahikeng



9.2. Bid documents will only be considered if received by the Department of Community Safety and Transport Management before the closing date (26/04/2024) and time **11h00.**

9.3. Late bids will not be accepted.

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

10. CONTACT DETAILS

Potential bidders must reduce all telephonic inquiries to writing and send them to the below email addresses. For more detailed information regarding the bid procedure and specifications please contact the following, respectively: **Contact Persons:**

Bid document: Ms. T. Bogatsu -018 200 8184 @ ThelmaBogatsu@nwpg.gov.za

Bid Specification: Mr. S. Tladi- 018 2008089 @ stevetladi@nwpg.gov.za

11. DOCUMENTS IN THE BID DOCUMENT PACK

Bidders are to ensure that they have received all pages of this document, which consists of the following documents:

Section 1

- Invitation to Bid (SBD 1)
- Price Schedule (SBD 3.2)
- Declaration of Interest (SBD 4)
- Preference Points Claim form in terms of the Preferential Procurement Regulations 2022 (SBD 6.1)

Section 2: Special Conditions of the Contract

- Successful bidders will be required to submit proof of passenger liability insurance cover (within 20 days after the award) for not less than R10 million per incident.
- Successful bidders will be required to obtain an operating license before operations resume. This means that the bidder must be the owner of the vehicles to be used to service the contract.
- Bidders must provide driver names, ID numbers, and certified copies of their driver's licenses and Professional Drivers Permit, (PrDP) before commencement of the service.
- Bidders must submit a list of vehicles and certified copies of the registration certificates of vehicles to be used in the awarded contract/s.
- Bidders must apply for vehicle operating licenses after the award.



- Contracted vehicles will be subjected to inspections by Law Enforcement Officers (s) from the Department and or appointed representatives before the commencement of the contract.
- No Dual operation is allowed. Vehicles must be parked at schools and may not leave the premises whilst the learners are at school.
- Successful bidder will be required to bring their vehicles for inspection before the signing of the contract with the Department of Community Safety and Transport Management.
- All successful bidder vehicles contracted to transport learners will be subjected to inspection at a designated place in the district once per term, or when and as it is required.
- Successful bidder will be provided with a code of conduct when they sign a contract with the Department of Community Safety and Transport Management.
- Successful bidders are required to sign a code of conduct between themselves and their drivers.
- In the case where the successful bidder is also a driver, he/she will sign both as the successful bidder and /or the driver.
- A signed code of conduct between the successful bidder/operator and the driver(s) should be kept in the vehicle at all times.
- A valid and certified copy of the South African Public Drivers Permit (PrDP) for every driver per vehicle must be with the driver at all times.
- Buses, midi buses, minibusses, and train buses must have a serviced fire extinguisher at all times.
- Successful bidders/operators should ensure that learners are at school no earlier than 45 minutes and not later than 15 minutes before starting time during school days.
- Successful bidders/operators should ensure that learners are collected not later than 30 minutes after school.
- Learner transport project is meant to transport learners during school days only and does not include weekends, school holidays, trips for extramural activities, or any extra classes organised by schools.
- Inspection of buses will be done before the final award of the tender.

Section 3

General Conditions of Contract (GCC)

12. ACCESS AND DISCLOSURE

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years



- The Department of Community Safety and Transport Management and any authorised person shall at all reasonable times have access to all vehicles and relevant documentation of the Operators for purposes of monitoring service quality.
- The Department of Community Safety and Transport Management has the right to monitor and evaluate the performance of the Operator. Appropriate systems (manual and digital) shall be utilised to ensure proper management control and monitoring of all operator contracts.
- The operator must, at the request of the Department, produce proof of the validity of all licenses, permits, and other requirements arising from the contract, or where applicable, proof of application that has been made for such licenses or permits. That must be provided or be furnished not later than 2 (two) working days from the date of receipt of such written request.
- The operator is obligated to notify the Department with written notice within Seven (7) days of any change regarding ownership control as contemplated in Section 44 of the Act and complete a declaration in respect of any new person or entity exercising such ownership control.

13. ADMINISTRATIVE MATTERS

- All accounting records and proof of deliveries must be kept for a period of at least three (03) years after the termination of the contract.
- Where in terms of this contract, any amount is owed to the Department by the Operator, a certificate at hand of the contracting Department shall be prima facie proof; that such amount is owing of the fact that such certificate is officially signed, and that the relevant amount is due and payable.

14. CONDITION OF ACCEPTANCE

14.1. INSPECTION OF ROUTES:

- Prospective bidder/the Department of Community Safety and Transport Management is required to check the routes and distance of kilometers before the completion of bid documents.
- Prospective bidder/the Department of Community Safety and Transport Management should notify the Department of Community Safety and Transport Management in writing of any discrepancy in kilometers before the closing of the bid.




The Department of Community Safety and Transport Management may investigate and amend any disparities in kilometers after the bid has been awarded.

15. PICK UP AND DROP OFF POINTS:

- Pick-up and drop-off points shall be determined by the Department through respective schools.

16. USE OF ROUTES AND ROADS:

- Routes and Roads to be used for transporting learners will be determined by the Department of Education in conjunction with the Department of Community Safety and Transport Management and not by the transport operators.

17. FORMULA FOR CLAIMS:

- Successful bidders/operators will be paid according to the distance (kilometers) indicated in the appointment letter and the number of school days operated as indicated in the delivery note, supplied by the operator and signed by the principal. The remuneration model is as follows: **kilometers X days X rate**
- **Successful bidders/operators will claim for return trips only.**
- Monthly claims for services delivered must be submitted not later than the 7th of the following month to comply with PFMA prescripts. All operators are expected to claim every month.
- Submission of late claims, operators must attach a letter with reasons thereof.

18. CONTRACT

18.1. TERMINATION OF CONTRACT:

The Department of Community Safety and Transport Management may terminate the contract where it discovers that:

- The Operator has committed an act of insolvency or is insolvent in that the Operator's liabilities exceed his /her assets.
- The Operator has published a notice to surrender his/her estate or has presented a petition for the acceptance of the surrender of his/her estate as insolvent.
- The closing of schools, transfer of learners to hostels, reduction of the number of learners being transported, or reduction in the number of kilometers travelled, vehicles donated to the Department of Community Safety and Transport Management or the Department of Community Safety and Transport Management acquiring its vehicles.
- Non-performance will lead to termination of the contract. This refers to:
 - ✓ Failure to collect learners continuously.



- In case of any existence of the above-mentioned factors, the Department of Community Safety and Transport Management reserves the right to terminate the contract and the Department of Community Safety and Transport Management will re-consider the future of the affected route and learners. It includes:
 - ✓ Transport not compliant with regulation of license.
 - ✓ Failure to collect learners continuously.
- In case of any withdrawal, the Department of Community Safety and Transport Management reserves the right to temporarily appoint existing operators to avoid disruption of services.

18.2. AMENDMENT OF THE CONTRACT:

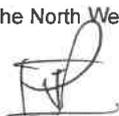
- Contracts will be amended to be in line with the actual distance travelled.
- If the distance travelled increases or decreases, the contract will be amended to be in line with increased or decreased kilometers on the condition that the route is viable.
- Each case will be treated on its merits and demerits
- If the number of learners increases or decreases, the contract will be amended to be in line with the increased or decreased number of learners on the condition that the route is viable.

18.3. MONITORING MECHANISM

- Departmental officials conducting physical monitoring by visiting the area of operation.
- The Department of Community Safety and Transport Management may also introduce an electronic monitoring system during the term of this contract.

18.4. OPERATION OF SERVICES

- The Successful bidders/operators must exercise the highest degree of skill, care, and diligence in the provision of the services and operate the services strictly by the terms of reference and special conditions, as well as the other relevant provisions of the contract, to the satisfaction of the Department.
- The Successful bidders/operators must comply with and strictly adhere to the Department's written instructions and directions regarding the operation of the services,
- The Successful bidders/operators must take written instructions and directions only from the Department or a duly authorized delegate of the Department
- Depending on the requirements of the contract as to which type or combination of types of modes of transport are to be provided by the Successful bidders/operators, he or she must provide for each trip a vehicle having the passenger capacity as specified in the definitions of "minibus", "midibus", "bus, as the case may be and that conforms fully with the




requirements of the Special Conditions and the attributes specified in the Special Conditions of Contract.

- The Successful bidders/operators shall have no cause to refuse to convey an approved learner on a trip or part thereof unless on the grounds of violent, abusive, or otherwise offensive conduct on the part of that learner or other grounds contemplated in the Act and/or applicable road traffic legislation, which misconduct shall immediately be brought to the attention of the Department and Principal/School for mediation.

18.5. PERMITS AND OPERATING LICENCES

- The Successful bidders/operators must promptly do everything in their power to obtain and maintain in force all operating licenses or permits, including licenses and permits required by local authorities, pay all fees and levies, and issue all notices as may be necessary for or be connected with the due operation of the services by the Act and other applicable legislation.
- It shall be the Successful bidder's / operator's responsibility to apply timeously to the competent Provincial Regulatory Entity (PRE) for the necessary operating licenses, or amendments to existing permits or operating licenses, as the case may be, covering the contract routes, unless The Successful bidders/operators is already in possession of such licenses, permits, amendments or approvals. The Department will provide a letter to the Board notifying it of the awarding of the contract. The operating licenses must be applied for the duration of the contract period only. When such licenses are issued, The Successful bidders/operators must supply copies to the Department of Community Safety and Transport Management forthwith.
- The special learner transport operating license or amendments must be applied for within seven (7) days of the date on which the contract is accepted and The Successful bidders/operators must take all reasonable steps to obtain the granting and issuing thereof as expeditiously as possible.
- At the end of the contract period, or if the contract is terminated, The Successful bidders/operators undertake not to oppose any applications for operating licenses made by other operators who may obtain contracts from the Department to continue the services in so far as they relate to the routes in question.
- The Successful bidders/operators must take instructions and directions only from the Department.
- The Successful bidders/operators shall ensure that all staff (employed or contracted) treat learners with respect and courtesy at all times and that all reasonable assistance is offered to facilitate the safe travel of learners.



- The Successful bidders/operators will ensure policies are in place advising staff (employed or contracted) and subcontractors of their obligation to act professionally at all times when acting about this contract and delivering any of the services provided under it and will have systems to deal with breaches to these policies.
- The Successful bidders/operators will not, by their acts or omissions, do anything that would damage the reputation of the Department and the integrity of Government policies at all times whilst carrying out the services.
- The Successful bidders/operators shall ensure that all written and oral communication it has with schools and members of the public regarding the delivery of the services is helpful, timely, and professional. The Operator shall acknowledge and record all written or emailed complaints or correspondence it receives regarding the delivery of the services and provide the Department with copies of such correspondence.
- Depending on the requirements of the contract as to which type or combination of types of vehicles are to be provided by the Operator, the latter must provide for each trip a vehicle having the passenger capacity as specified in the tender forms that conforms fully with the requirements and attributes specified in the contract.
- Only stops/pick-up points authorised by the Department are to be used by The Successful bidders/operators.
- The performance of the service by the Successful bidders/operators shall be observed, monitored, and inspected by the Department at its discretion for compliance with this contract.
- In addition to any statutory obligations, the Operator must, within twenty-four (24) hours of its occurrence, report to the Department any accident in which persons have been injured or killed. This must be followed by a written report containing full details of the occurrence within four (4) weekdays of the occurrence.
- The Successful bidders/operators must forthwith upon the occurrence of any of the following events notify the Department in writing of the details thereof:
 - a) Any revocation, suspension, or refusal to renew any licence or permit necessary for the provision of the services, and
 - b) The imposition of any condition upon such license or permit or any other circumstance which would prevent the Operator from providing the services by the contract.

19. CANCELLATION OF SCHEDULED TRIPS

The following may result in the temporary cancellation of a trip:

- Notification of service suspensions or reductions must be made at least 30 calendar days before the suspension or service reduction is to come into effect.
- Request by the Successful bidders/operators Operator and agreed to in writing by the Department.
- The cancellation is due to unforeseen road closures, obstructions, floods or adverse weather conditions;
- In the opinion of the Department the cancellation results from immediate danger to life or of personal injury and/or serious damage to property; or
- The cancellation is in the opinion of the Department due to strike or stay-away action of a general nature, i.e. not confined to the Operator's organization. Therefore, all operators should consider taking insurance for loss of income in the event of any of the above circumstances.
- Where the Department orders the successful bidders/operators to provide services in circumstances where the Operator thinks that there is immediate danger to life or of personal injury or serious property damage, the Operator may refuse to comply, in which case the matter shall be referred to the Department for decision within twenty-four (24) hours.
- Where the successful bidders/operators think that scheduled trips should be cancelled due to boycott action, either against the Operators firm or generally, the successful bidders/operators must refer the matter to the Department via the Authorised Representative for decision.
- The Successful bidders/operators must inform the Department within twenty-four (24) hours after the cancellation of any scheduled trips and also when the trips are recommenced. The Operator must also confirm the cancellation and recommencement to the Department of Community Safety and Transport Management in writing with the reasons for the cancellation.

20. FARES

- No fares shall be charged by operators directly to the approved learners for providing the learner transport services contracted in this agreement.



21. VARIATIONS

- The Department may after consultation with the successful bidders/operator, recommend the following variations to the services within the service area, but the prior written consent of the Department is mandatory before any variation is affected and this will be communicated between the Department and the successful bidders/operators.
 - (a) to increase or decrease the number of scheduled trips on any route or routes;
 - (b) to omit any route or add a new route;
 - (c) to lengthen, shorten, or alter an existing route, where "alter" means to change the route without increasing or decreasing the kilometer length thereof;
 - (d) to alter the number or location of authorized pickup points, in consultation with the relevant local authority/administration/community/school and/or traffic authority where applicable;
 - (e) to change the timetable of any portion of the services; and
 - (f) to make alterations in connection with vehicle capacities
- No such variation shall in any way invalidate the contract. The successful bidders / operators must notify the Department in writing of any variations made to the existing services and the successful bidders/operators must comply with any such variations.
- The Successful bidders/operators may object to such variations in writing addressed to the Department within seven (7) working days of receipt of the notification.
- Should any variations be approved, the Successful bidders/operators must give to learners not less than seven (7) days' notice, unless a shorter period is approved by the Department of any intended changes to the timetable.
- The Successful bidders/operators may apply in writing to the Department for a variation in the types of vehicles that are used in providing the services, based on the utilization of better-suited vehicles with a different capacity from those included in this agreement.
- Before the Department consenting to such a variation the financial implications thereof on the contract rates and timetable shall be agreed upon in writing.
- The decision of the Department in this regard shall be final and be communicated to the successful bidders/operators in writing.
- Where the Successful bidders/operators are obliged to vary the services in the case of an emergency and such variation results in an increase or decrease of scheduled kilometers on a particular route, provided that approval for such variation must be obtained from the Department within twenty-four (24) hours in the case of an increase.



22. VEHICLES

- Only vehicles classified as mini-buses, midi-buses, standard buses, or train buses, can be used for this service operated by an approved driver.
- The Successful bidders/operators are required to submit a statement on the schedule of the Contract Forms, showing what vehicle will be available for services immediately upon award of the contract.
- The onus is on the Successful bidders/operators to decide what vehicles he or she will indicate on the said form for use in the provision of the services. Only vehicles shown in the completed **Form 1** as submitted may be used to provide the services unless the written consent of the Department is obtained in advance. All vehicles must conform to the requirements and regulations of the National Road Traffic Act, 1996, or other applicable legislation and applicable SABS specifications.
- The type and condition of all vehicles to be provided by the Successful bidders/operators for the provision of the services must correspond with the requirements of the TOR and SCC.
- If the Successful bidders/operators, without the written authority of the Department, fail to provide the right type, concerning quality and capacity, of vehicles as specified within two (2) months of the commencement date or, at a later stage in the contract period, within sixty (60) days after being instructed to do so by the Department then a penalty shall be imposed.
- All vehicles utilised must be clean inside and outside when they leave the first point of departure at the beginning of a day.
- No vehicles with hard seats will be permitted.
- Identification – vehicles must have a letter from the Department that is displayed on the windscreen of the vehicle to identify it is a learner transport vehicle.

22.1. VEHICLES IN AN UNSATISFACTORY CONDITION

- Vehicles must be roadworthy and comply at all times with the National Road Traffic Act, 1996, and any other relevant legislation. Where a vehicle fails to comply with any legal requirement, it must be withdrawn from service immediately until the defect is rectified, and penalties will be imposed for failing to operate.



22.2. VEHICLE BREAKDOWNS

- The Successful bidders/operators are expected to provide a replacement vehicle for breakdowns within two hours of the vehicle breaking down.
- The honour lies with the successful bidders/operators to inform the Department immediately in writing of the replacement vehicle which should be of a similar capacity to the contracted vehicle
- Submission of a claim under these conditions does not change.

22.3. FAILING TO PROVIDE THE RIGHT TYPE AND QUALITY OF VEHICLES

- Where the Successful bidders/operators fail to provide the right type, quality, and specification of vehicles as specified in the Special Conditions of Contract, the Department will immediately terminate the contract.

23. PENALTIES

- Penalties shall be imposed against the successful bidders/operators for each offense by Clause of the Special Conditions and the Department shall advise the successful bidders/operators every month of penalties so imposed.
- The services shall be monitored during the duration of the contract and thereafter penalties shall be imposed as set out hereunder.
- The successful bidders/operators shall be expected to adhere strictly to the requirements of the specification.
- The successful bidders/operators must report all trips not operated, late and early trips, and any other information that is relevant to the calculation of payments.
- Where the Department has more trips not operated than those reported by the Successful bidders/operators for three consecutive weeks, from the fourth week penalties will be doubled for the remaining contract period for all infringements not reported by the Successful bidders/operators.



23.1. PENALTIES WILL BE IMPOSED IN THE FOLLOWING EVENTS.

Where trips have not been fully provided, a penalty will be imposed, calculated as follows:

- 1st instance per allocated trips – no. of trips not operated x agreed upon rate relating to that trip per the authorized route x 100%.
- 2nd instance per allocated trips – no. of trips not operated x agreed upon rate relating to that trip per the authorized route x 150%
- 3rd instance per allocated trips – no. of trips not operated x agreed upon rate relating to that trip per the authorized route x 200% and requirement of the investigation report by the Department.
- "1st/2nd/3rd instance per allocated trips"- instances refer to transgressions committed by the Department.
- the penalty shall be imposed on the invoice of the respective month that the transgression has been committed.

23.1.1. Providing trips that depart late or early

In the case of a trip that—

- Delivery between fifteen (15) and thirty (30) minutes late from the time the school starts/ends, a penalty of R200 (Two Hundred Rand)
- Delivery between thirty (30) and forty-five (45) minutes late from the time the school starts/ends, a penalty of R300 (Three Hundred Rand) will be imposed.
- Delivery between forty-five (45) and sixty (60) minutes late from the time the school starts/ends, a penalty of R500 (Five Hundred Rand) will be imposed.
- Delivery more than (60) minutes late from the time the school starts/ends, a penalty of R700 (Seven Hundred Rand) will be imposed.

23.1.2. Vehicle breakdowns

- The successful bidders/operators are expected to provide an alternative in line with the minimum requirements as per the Terms of Reference and Special Conditions of Contract and the successful bidders/operators shall immediately advise the Department, vehicle for breakdowns within one hour of the vehicle breaking down.
- Where a replacement vehicle is provided it must be in line with the minimum requirements as per the Terms of Reference and Special Conditions of Contract and the successful



bidders/operators shall immediately advise the Department, and no penalty will be imposed. If a replacement vehicle is provided, but not within the stated time, a penalty of R400 (Four Hundred Rand) will be imposed. If no replacement vehicle is provided, penalties will be imposed for a trip not provided.

23.1.3. Failing to pick up or set down passengers at authorized stops

Where approved learners were not picked up or set down at an authorised stop, a penalty of R100,00 (One Hundred Rand) will be imposed and the successful bidders/operators shall inform the Department with immediate effect.

23.1.4. Vehicles in an unsatisfactory condition

Vehicles must be roadworthy and comply at all times with the National Road Traffic Act, 1996, and other relevant legislation. Where a vehicle fails to comply with any legal requirement, it must be withdrawn from service immediately until the defect is rectified and a substitute vehicle shall be provided and should be in line with the TOR/SCC, failure will result in penalties being imposed for failing to operate.

23.1.5. Failing to provide the right type of vehicles

- Where the Successful bidders/operators fail to provide the right type quality and specification of vehicles as specified in clause 33.1 of the Special Conditions of Contract no payment will be made by the Department against that trip.
- Notwithstanding the above, no penalty will be imposed if trips are canceled with the agreement of the Department.
- Failing to provide trips on any particular school day, **5% of the total calculated amount will be deducted;**
- Provides trip(s) more than **sixty (60) minutes** late from the time the school starts, a penalty of **R500 (Five Hundred Rand)** will be imposed.

24. INSURANCE

24.1. The Successful bidders/operators must take reasonable steps to ensure the safety of passengers and property. The Successful bidders/operators shall not be liable for any loss or damages resulting from damage to property or the death of or injury to any person which is caused by an intentional or negligent act or omission of the Successful bidders/operators or his/her agents or employees and the Successful bidders/operators hereby indemnifies the

Department against all claims, demands, lawsuits, damages, costs (including attorney and client costs), charges and expenses whatsoever in this regard. Nothing contained in this provision shall, however, be deemed to render the Successful bidders/operators and its Operators liable for or to indemnify the Department against, any compensation or damages for or concerning injuries or damage to persons or property resulting from any negligent act or omission done or committed during the currency of the contract by the successful bidders/operators or its servants or for or in respect of any claims, demands, lawsuits, damages, costs, charges and expenses in respect thereof or pertaining thereto.

- 24.2. The Successful bidders/operators must effect and maintain throughout the duration of the contract, at their own expense, passenger liability insurance cover to the value of R1 000,000 (one million rands) or more per incident involving a learner transported by the successful bidders/operators T as part of the learner transport program and full comprehensive vehicle insurance based on the realistic market value of the vehicle(s) with an insurance company chosen by the successful bidders/operators, registered with the Financial Services Board established by the Financial Services Board Act, 1990, and registered in the Republic of South Africa in terms of the Short Term Insurance Act, 1998 or other applicable legislation. Proof of such insurance must be submitted to the Department before the commencement date of the services and the Successful bidders/operators must advise the Department in writing of any changes thereto and provide the Department with proof that such cover is in place from the start of the first day of the first term and the Department may quarterly request such information from the Successful bidders/operators. Such insurance shall *inter alia* provide cover in respect of loss or damage suffered because of damage to property or death of or injury to any person resulting from an intentional or negligent act or omission by the Successful bidders/operators and its Operators or its agents or servants in connection with the provision of the services.

25. INDEPENDENT CONTRACTOR

- The Operator shall act as an independent contractor and not as an employee or agent of the Department and does not have the authority to bind the Department contractually to any other party.
- The Department shall not be liable to pay any retrenchment or severance benefits to any of the employees of the Operator on dismissal or expiry of the contract period.



26. CESSION, DELEGATION AND SUB-CONTRACTING

- The Operator may not cede his or her rights or delegate his or her obligations under this contract without **Prior Written Consent** of the Department t. In applying for consent, the successful bidders/operators must supply the Department with a copy of the proposed agreement wherein such will be subject to approval by the Department and may unreasonably not withhold such approval.
- If such consent is given for a sub-contract, no contract between the Department and the sub-contractor shall come into being and the successful bidders/operators shall not be released from any liability or obligation under the contract, and he/she shall be responsible for acts and omissions of any sub-contractor or his/her agents/workers as fully as if they were acts or omissions of the Operator.
- The Department may at any time during the currency of this contract cede its rights and delegate its obligations in terms thereof of any transport authority.
- The Successful bidders/operators must not engage themselves in fronting. Should the Department be aware of fronting, then the contract shall be terminated.

27. ESCALATION

An annual escalation percentage shall be announced by the Employer. This shall be effected on the monthly payment certificate from the date communicated by the employer.

28. MEDIATION IMPACTING ON SOCIAL SECTOR BEHAVIOUR

A mediation Committee shall be put in place to investigate and advise the Department. This is to protect all players in the sector.

Should it be discovered that the successful bidder him/herself is fronting and/or subcontracting without consent of the Department, the contract will be terminated, and further legal steps taken.

29. EVALUATION

EVALUATION CRITERIA

CRITERIA FOR PRICE AND B-BBEE STATUS	POINTS
Bid Price	90
Specific goals	10

NB: The Bid will be evaluated on functionality and preference points

29.1. STAGE 1 LEGAL REQUIREMENT CRITERIA

Bidders must complete the following Compulsory documents and attach them to their Bid document, failing which the Bid shall not be considered for Stage 1 evaluation

- Invitation to Bid (SBD 1)
- Price Schedule (SBD 3.2)
- Declaration of Interest (SBD 4)
- Preference Points Claim Form in Terms of The Preferential Procurement Regulations 2022 (SBD 6.1)

Proof of the following documentation will be required:

- Proof of Registration in the Central Database (CSD) must be submitted;
- Company's registration, CK document

All the relevant forms attached to this bid document must be completed and signed in ink where applicable by a duly authorised official.

- Use of Tippex and pencil in the bid document are not allowed and will lead to disqualification.
- Where cancellation has been made, bidders should endorse with a signature.

BIDDERS WHO FAIL TO SUBMIT OR COMPLETE AND SIGN THE ABOVE DOCUMENTS SHALL BE AUTOMATICALLY ELIMINATED FOR THE NEXT STAGE OF EVALUATION.

29.2. STAGE 2 PRE-EVALUATION CRITERIA

Bidders must submit the following documentation

- Originally certified copy of vehicle registration certificate
- Originally certified copies of Roadworthy Certificate/s.
- Attach signed reference letters with contact numbers on the letterhead of the institution indicating the duration of the experience.

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years



Failure to attach any of the above-mentioned documents except CSD will lead to the disqualification of a bidder.

29.3. STAGE 3 EVALUATION CRITERIA

Assessment of functionality with a **minimum overall threshold of 70%** must be attained by the bidder before being evaluated in the next stage.

NB: THE BID WILL BE EVALUATED ON FUNCTIONALITY CRITERIA

NO	ELEMENTS	WEIGHT	SCORE
1.	Vehicle ownership (Proof of Vehicle Ownership in the Company's name Or Director's name). 1. Ownership certificate (s) of vehicle (s) = 50 2. No certificate = 00 NB: All vehicle information will be verified on the e-Natis system before points are allocated.	50	
2.	Fleet Age • 00 - 05 yrs = 30 • 06 -10 yrs = 20 • 11 yrs and above = 10 • Not attached = 00 NB: In the case of rebuilt and rehabilitated vehicles the following definition shall apply and proof such be attached.	30	
3.	Experience in the provision of passenger road transport sector • 01- 04 years = 10 • 05-15 years = 15 • 16 years and above = 20 • Not attached = 00 NB: Attach signed reference letters with contact numbers on the letter head of the institution indicating the duration of the experience.	20	
	TOTAL	100	

The threshold of 60 must be obtain to for the bidder to proceed to the next stage

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years




29.4. ADDITIONAL OBJECTIVE CRITERIA

Allocation will be based on the available capacity of the bidder but not exceeding five routes and preference will be given to enterprise based in the North West Province.

29.5. SPECIAL GOALS

Special goal	Achievement level	Preference points that may be allocated 90/10
Black-owned enterprises	Promotion of enterprise owned by people on the basis of race ($\geq 51\%$ owned by black people)	02
	50%-00% owned by black people	00
Women-owned enterprises	promotion of enterprise owned by owned ($\geq 51\%$ owned by women)	04
	50%-00% owned by women	00
Enterprise owned by youth	promotion of enterprise owned by youth ($\geq 51\%$ owned by youth)	02
	50%-00% owned by youth	00
Enterprise owned by military veteran	Promotion of enterprise ($\geq 51\%$ owned by military veteran)	02

30. TECHNICAL REQUIREMENTS

Vehicles must be roadworthy and comply at all times with the National Road Traffic Act 93 of 1996 and other relevant legislations.

31. CONTRACT PERIOD

The offer is for a period of five (5) years.

32. DELIVERY

Successful bidders will operate across the North West Province in line with the routes and/or policies determined and approved by the Department of Community Safety and Transport Management.

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years

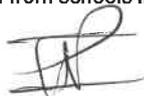
33. RISKS

- Failure to deliver the required services during the expected school days.
- Failure to reduce long walking distance to reach educational facilities.
- Failure to cater for additional routes during the course of the contract.
- Lack of coordinated planning amongst stakeholders.

34. PAYMENTS

34.1. Contracted service providers

- The Successful bidders/operators shall be paid monthly in arrears within 30 days of receipt of the error-free invoice package for providing the services set out in the terms of reference and special conditions of the contract and for approved variations. The amount thus payable will be the approved claimed amounts less any amounts withheld
- The Successful bidders/operators must submit to the Department invoice package in the format prescribed by the Department in the Contract.
- When all the information has been supplied and the duly completed and signed proof of delivery has been submitted to the Department, the invoice will be certified by the Department when satisfied with the contents and correctness thereof.
- All payments shall be made directly into the bank account of the Successful bidders/operators, details of which must be supplied by The Successful bidders/operators.
- Should the Successful bidders/operators, for whatever reason, owe any amount to the Department, the Department shall notify the successful bidders/operators of the debt in writing, raise a debt, and recover the debt.
- The certification or approval of a payment certificate by the Department shall not be deemed to be approval of, or waiving of rights regarding any services or other matter in respect of which it was issued, or be taken to be an admission of the due performance of the contract or any part thereof, or of the accuracy of any claim made by the Successful bidders/operators, and no certificate shall revoke or prejudice any of the rights and powers of the Department.
- No such certificate shall deprive the Department of any right they may have regarding wrongful acts or breach of contract on the part of the successful bidders/operators that may appear or become known later.



35. BREACH OF CONTRACT

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

- 35.1. if the operator fails to deliver any or all of the service within the period(s) specified in the contract, or within any extension thereof granted by the Department according to GCC Clause 21.2;
- 35.2. if the successful bidders/operators fail to perform any other obligation(s) under the contract; or
- 35.3. if the successful bidders/operators, in the judgment of the Department, have engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 35.4. In the event the Department terminates the contract in whole or in part, the Department may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the successful bidders/operators shall be liable to the Department for any excess costs for such similar work or service. However, the operator shall continue the performance of the contract to the extent not terminated.
- 35.5. Where the Department terminates the contract in whole or in part, the Department may decide to impose a restriction penalty on the operator by prohibiting such operator from doing business with the public sector for a period not exceeding ten (10) years.
- 35.6. If the Department intends to restrict an operator or any person associated with the operator, the operator will be allowed a period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the operator fail to respond within the stipulated fourteen (14) days the Department may regard the intended penalty as not objected against and may impose it on the operator.
- 35.7. Any restriction imposed on any person by the Accounting Officer /Authority will, at the discretion of the Accounting Officer / Authority, also apply to any other enterprise or any partner, manager, director, or another 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.
- 35.8. If a restriction is imposed, the Department must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
 - the name and address of the operator and/or person restricted by the purchaser;

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years



- the date of commencement of the restriction
- the period of restriction; and
- the reasons for the restriction.

These details will be loaded into the National Treasury's central database of bidders/operators or persons prohibited from doing business with the state.

35.9. If a court of law convicts a person of an offense 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.

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

36. INSPECTIONS

The Department of Community Safety and Transport Management will conduct inspections of vehicles before the inception of the contract and for the duration of the entire contract period and vehicles used in this bid will be inspected.

37. OBLIGATIONS

37.1. The Department is obliged to ensure that the successful bidders/operators provide the Department with the approved service within the specified period.

37.2. The Successful bidders/operators are obliged to provide the approved service in terms of the specifications and the Service Level Agreement (SLA) with the Department t in the North West Province within a specified period.

37.3. The Successful bidders/operators) is obliged to provide the Department with the daily learner transport report.

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years

- 37.4. The Department is obliged to pay all services rendered by operators upon receipt of compliant documentation.
- 37.5. All parties are obliged to adhere to these Special Conditions of bids as stipulated in the attached bid forms and General Conditions of the Contract.

38. SERVICE LEVEL AGREEMENT

- 38.1.** The Department will enter into a Service Level Agreement with the successful bidders/operators.



FORM 1: SCHEDULE OF EXISTING VEHICLES

The Successful bidders/operators will be required to provide details of all vehicles to be used under this contract as per the form here below. Full compliance is required including copies of any documents required by way of this form. Failure to comply will result in the bid being deemed non-responsive.

	Make	Model	Year	Registration No	Carrying Capacity	Owner as per registration paper
Vehicle 1						
Vehicle 2						
Vehicle 3						
Vehicle 4						
Vehicle 5						
Vehicle 6						
Vehicle 7						
Vehicle 8						
Vehicle 9						
Vehicle 10						
Vehicle 11						
Vehicle 12						
Vehicle 13						
Vehicle 14						
Vehicle 15						
Vehicle 16						
Vehicle 17						
Vehicle 18						

Name:.....

Signature:.....

Date:.....

Appointment of a panel of service providers for the provision of learner transport services for qualifying and approved learners to and from schools in the four (04) districts of the North West Province for the period of five (05) years

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF
DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT

BID NO: CS&TM06/23/24 CLOSING DATE: 26th APRIL 2024 CLOSING TIME: 11:00 AM

DESCRIPTION: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF LEANER TRANSPORT SERVICES FOR QUALIFYING AND APPROVED LEARNERS TO AND FROM SCHOOLS IN THE FOUR (04) DISTRICTS OF THE NORTH WEST PROVINCE FOR THE PERIOD OF FIVE (05) YEARS.

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7.2)

BID DOCUMENTS MAY BE DELIVERED AT:

DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT MANAGEMENT
SAFETY HOUSE 31-34 MOLOPO ROAD
MAIN ENTRANCE SECURITY CHECK POINT
MAHIKENG
2735

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 GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

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.....

APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF LEANER
TRANSPORT SERVICES FOR QUALIFYING AND APPROVED LEARNERS TO AND FROM
SCHOOLS IN THE FOUR (04) DISTRICTS OF THE NORTH WEST PROVINCE FOR THE PERIOD OF
FIVE (05) YEARS.

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

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

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

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

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
----------	----------	-------------	--

- Required by:
- At:

- Brand and model
- Country of origin

- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- Delivery: *Firm/not firm

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

*Delete if not applicable

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

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

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

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

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

with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

SPECIFIC GOALS DECLARATION IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

TENDERS OR QUOTATIONS¹ GREATER THAN R1,000,000 but LESS THAN R50,000,000 (Including all applicable taxes)

This specific goals form must form part of all tenders that are clearly less than R50,000,000 (including all applicable taxes) and there is no possibility that the lowest acceptable bid will be over R50,000,000 (including all applicable taxes). It contains general information required by legislation and serves as the declaration for the specific goals claimed by the bidder.

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

1. GENERAL CONDITIONS

- 1.1 The following point systems are applicable to all quotations:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).
- 1.2 Points for this bid shall be awarded for:
- 1.2.1 Price; and
- 1.2.2 Preference Points.
- 1.3 Failure on the part of a bidder to declare or submit proof when requested, will be interpreted to mean that preference points are not claimed.
- 1.4 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- 2.1.1 **"Acceptable bid or acceptable quotation"** means a bid or quotation which in all respects complies with the specifications and Conditions of Tender as set out in the tender document.
- 2.1.2 **"Black people"** means Africans, Coloureds and Indians (refer to the B-BBEE Act for more details)
- 2.1.3 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through and advertised competitive bidding processes or proposals;
- 2.1.4 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.1.5 **"Central Supplier Database"** means the database managed by National Treasury at

www.csd.gov.za .

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

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

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

A maximum of 80 points is allocated for price on the following basis:
80/20

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

Where

- Ps = Points scored for price of the quotation or bid under consideration
Pt = Price of the quotation or bid under consideration
Pmin = Price of lowest acceptable quotation or bid

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

3.3 POINTS AWARDED FOR PRICE

A maximum of 80 points is allocated for price on the following basis:
80/20

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

Where

- Ps = Points scored for price of the quotation or bid under consideration
Pt = Price of the quotation or bid under consideration
Pmax = Price of highest acceptable quotation or bid

4. DCSTM SPECIFIC GOALS

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

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

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

5. POINTS AWARDED FOR SPECIFIC GOALS FOR QUOTATIONS AND BIDS

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

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

Specific Goals in terms of PPR2022	Points out of 10 for the 90/10 system	Points applied DCSTM	Points Claimed By: SP/Supplier
1. Promotion of enterprises owned by people on the black of race(≥51% own by black people)	02		
2. Promotion of enterprises owned by women (≥51% owned by women)	04		
3. Promotion of enterprises owned by youth (≥51% owned by youth)	02		
4. Promotion of enterprises owned by military veterans (≥51% owned by military veterans)	02		
TOTAL:	10		

6. DECLARATION WITH REGARD TO COMPANY/FIRM

- 6.1 Name of company/firm.....
- 6.2 Company registration number:
- 6.3 CSD Number: MAAA.....
- 6.4 TYPE OF COMPANY/ FIRM

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

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

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

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

- information at the disposal of the DCSTM, the bidder may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the points claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

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

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasurv.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) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 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)