



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 AVAILABILITY	DOCUMENTS	EVALUATION CRITERIA	BRIEFING SESSION	ENQUIRIES	CLOSING DATE
CS&TM 07/23/24	Provision of supervision and electronic bus monitoring services for subsidised commuter transport for a period of twenty four (24) months	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 07/23/24 & Company Name		80/20 Price - 80 Specific Goals - 20 (as per the specific Equity Points Allocation Table below)	04/04/2024 At: 10:00 Department of Community Safety and Transport Management, Safety House 31-34 Molopo Road, Mahikeng	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:07/23/24**", 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.

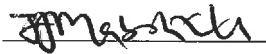
"Let's Grow North West Together"



Specific Goals in terms of PPR2022	Points out of 20 for the 80/20 system	Points applied DCSTM	Points Claimed By: SP/Supplier
1. Promotion of enterprises owned by people on the black of race(≥51% own by black people)	05		
2. Promotion of enterprises owned by women (51% owned by women)	05		
3. Promotion of enterprises owned by youth (≥51% owned by youth)	04		
4. Promotion of enterprises owned by military veterans (≥51% owned by military veterans)	02		
5. Promotion of enterprises owned by people with disabilities (51% owned by people with disabilities)	04		
TOTAL:	20		

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	Provision of supervision and electronic bus monitoring bus services for subsidised commuter transport for a period of twenty four (24) months										
Bid number	CS&TM: 07/23/24										
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	018 200 8416/8184/8139/8086									
	Fax	N/A									
	E-mail	LLMotlhamme@nwpg.gov.za / TheImabogatsu@nwpg.gov.za / stevetladi@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	Yes / No	YES									
	Date	04/04/2024									
	Time	10H00 AM									
	Venue	Department of Community Safety and Transport Management, Safety House 31-34 Molopo Road, Mahikeng									
	Link	N/A									



Mr F.T. Mabokela

Director: SCM



dcstm

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



SUPPLY CHAIN MANAGEMENT

Ref:

Date:

INVITATION TO BID

PROVISION OF ELECTRONIC BUS MONITORING SYSTEM FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

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

26/03/2024

DATE

"Let's Grow North West Together"



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1. INTRODUCTION

Bidders are requested to submit bids for provision of supervision and electronic bus monitoring services for subsidised commuter transport in the Department of Community Safety and Transport Management for a period of twenty-four (24) months.

2. BACKGROUND

The North West Provincial Administration entered into a Negotiated and Tendered Contracts for the rendering of public bus transport services in the in various areas in 2004. The contract was entered into in terms of section 47(3) of the National Land Transport Transition Act, 2000. These contracts operate in the three (03) Districts of the Province. The below table indicate the operational data for these contract

Table 1: baseline information per operation as at August 2023:

Operator	Depot	Contract Number	Number of buses	Number of Routes	Number of trips	Number of km's
Atamelang	Mahikeng	NW707/04	133		10 536	465 362,3
	Zeerust	NW708/04				
	Lichtenburg	NW709/04				
		NW710/04				
Phumatra	Pampierstad	NW631/00	18		853	38 913,3
	Vryburg	NW631A/00				
Amarosa	Mothotlung	NW711/04	186		16 959	737 214,7
Bojanala	Tlhabane	NW712/04	232		22 041	1 243 418.0
	Mogwase					
Total	8		569		50 335	2 484 060.00

3. SCOPE OF WORK

The project identifies various activities required for the all-inclusive process of monitoring of the road-based subsidised bus contracts by the Supervising and Monitoring Firm (SFM) and Electronic Monitoring System (EMS) on behalf of the Department of Community Safety and Transport Management.

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS



3.1 Problem statement

According to the contract, to support the operator's monthly claim and to enable proper monitoring of the operational performance, the operator must supply the department with the statistical data and information for each route operated, on monthly basis or as otherwise requested by the department. The information is as follows:

- actual departure and arrival time of each trip and late and early trips, with proper identification of trip
- revenue kilometres of each trip
- cash and multi-journey ticket passenger number for each trip
- detail of trips not operated and reasons thereof, and
- any other information that may reasonably be required from time to time by the Department which may be relevant to the contract.

The contract further requires the operator to collect and supply that portion of the required data or information listed above which is capable to be electronically collected, the operator must install and use on all vehicles the electronic information and ticket equipment (EE). It further state that the responsibility remains with operator to supply the correct information by means of other methods.

Therefore, collection and supply of information of operational data remain the responsibility of the operator and department has no role in the collection of such data and relies on what the operator submit, whether electronic or manual. However, audits of the claims by operators has revealed discrepancies on the information submitted by operators. Thus, questions the accuracy of the information provided by the operators. Furthermore, the commuter subsidised contracts requires that the Department should source the services of an SMF to monitor the operations on behalf of the Department and ensure value for money.

3.2 DELIVERABLES

The objective of this bid is to appoint a SFMs/s to provide supervision and electronic monitoring services for a period of twenty (24) months. The Department is in the process of reviewing its payment processes towards subsidised bus contracts and reinventing work practices to align with its objectives and attainment of value for money. This is an initiative to assess the status quo and close gaps, create new and better ways of working, and drive true innovative operations within the organisation. This project also seeks to look into the overall value chain and business pillars across the payment system.

3.2.1 Supervising and Monitoring Services (SMF)

The function of SMF is to administer and supervise the subsidised contracts in accordance of the provisions thereof. In this regard the SMF will perform all the duties as described in the subsidised contract and at all times endeavour to be just to the department and the operator. It is the duty of the SMF to supervise the operation of the services as provided by the Operator on behalf of the Department, to monitor such services to ensure compliance with the specifications of the contract.

The following are main duties to be performed by the SMF

- a) The SMF will perform independent reviewing, monitoring, auditing and preparation of reports to verify compliance by the operator, including the work to be carried out by its various sub-contractors.
- b) On a monthly basis (at the end of each calendar month), unless otherwise stated, the SMF will be required to perform the following functions
 - review the Operator's (including its sub-contractors) records including any monitoring or audits conducted by the Operator, and its sub-contractors.
 - monitor the implementation and conduct audits to verify compliance by the operator, and its subcontractors with the following:
 - (i) Verifying the actual work performed by sub-contractors;
 - (ii) Verifying the approved expenses (i.e. costs captured in the operator's financial management system to check if the subcontractor is invoicing the Operator for the actual work performed by comparing with the information from (i) above; and
 - (iii) Verify whether the actual payments were effected to the parties that invoiced the operators as determined in (ii) above.
- c) Prepare monthly and quarterly reports in relation to any of the review or monitoring carried out, which, if required, would include recommendations for steps that should be taken by the Operator or its sub-contractors and
- d) Facilitate and attend such meetings as may be relevant to assess compliance.
- e) Analyse trips, verify claims and provide written reports.



3.2.1.1 Administration of the subsidy contracts

The administration of the bus contracts involves a broader project management process and proper administration of compliance of bus operators to the bus contracts. The SMF will conduct monitoring on routes and at termini, ranks and intermediate monitoring points. The SMF must also undertake technical inspections on vehicles through suitably qualified staff at the depot(s) on a weekly basis in order to identify defects using appropriate standards. The weekly technical vehicle inspections will also entail an inspection of the Operator's maintenance records and procedures and its vehicle pass rate for roadworthy certificates.

3.2.1.2 Certification of Operators monthly claims

The bus operators are required to submit claims on a monthly basis to the department for the total revenue kilometers operated in accordance with the approved service schedules under the subsidised bus contracts. The certification process will amongst others includes the following:

- (i) Authenticity of total trips operated for each month through electronic monitoring system;
- (ii) Authenticity of the accuracy of the revenue kilometers as per the approved service schedules to be utilised in the ultimate calculation of the claim;
- (iii) Authenticity of the correct rates utilised in calculating the claim for the month as per the approved schedule of quantities;
- (iv) Authenticity of the correct indices and Consumer Price Index (CPI) used in the approved formula in determination of the escalation factors applied in calculating the claim — through Statistics South Africa (Statssa), SEIFSA etc;

3.2.1.3 Meetings

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

- **Planning meetings:** planning of the overall services provided by the bus operators during each particular month.
- **Contract Meetings:** Discussion of all operational aspects of a particular month scheduled between the Department, the SMF and the bus operators.
- **Weekly Penalty Meetings:** scheduled between the Department the SMF and the bus operators, focused on the daily imposing of penalties and other key operational aspects.

- **Commuter meetings** referred to as Public Transport Forum meetings: scheduled per contract between the Department, the SMF, the bus operators and commuters to address all operational aspects of a particular month in terms of timetable changes, and operational issues.

3.2.2 Electronic Monitoring Services

In the addition to SMF providing the services in line with the contract, the SMF shall be required to monitor 100% of all the trips operated by the Operators by the installation of the electronic monitoring system that involves the tracking of the entire bus fleet of the contracted operators through a specialised device that will be installed on the buses for the period of the contract. The electronic tracking device complies fully with the requirements of the Department and will record events and be accessed later when the network is available. The electronic management system must be able to provide multiple functions that can generate daily, weekly and monthly reports to provide details of the route operated by each contracted bus and be able to provide historic and real-time information on the following:

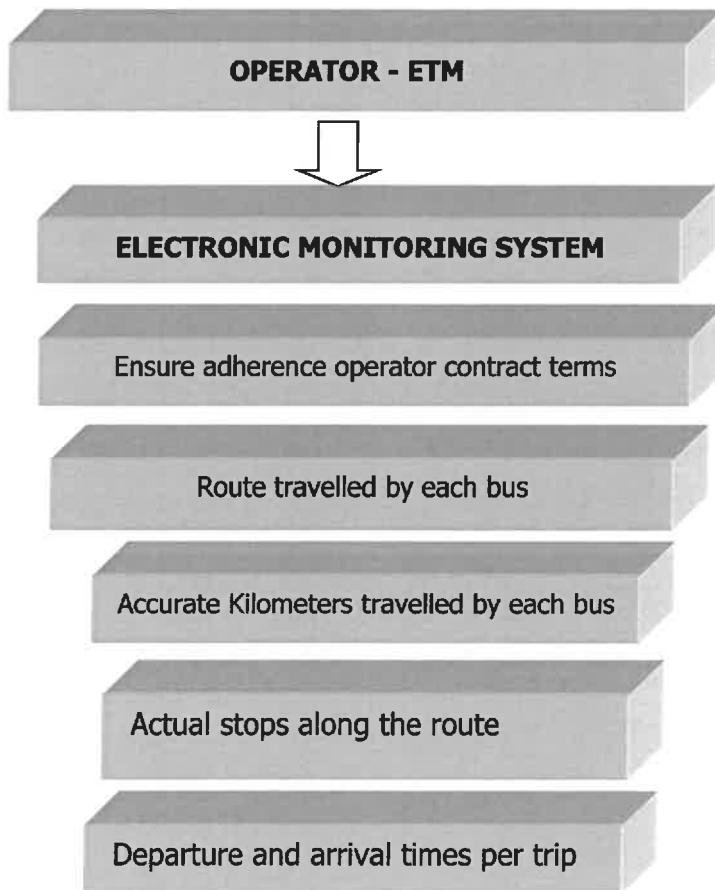


Figure 1- information layout

The following deliverables are the minimum requirements for the electronic management system

- Supply, installation, testing, operation and maintenance of web-based bus and fleet monitoring system.
- Supply all applicable software and customised programs as required by the department.
- Carry warranty on equipment for the duration of the contract.
- Back-up and recovery of data
- Comprehensive maintenance, software upgrades and system support for the duration of the contractual agreement.
- Automatic Vehicle Location System (AVL) which is a web-based and provides operators' location in real time. This must be able to give the following details: Trip that is being operated, Vehicle location, Kilometers operated per trip, stops
- All devices and or equipment that are installed in buses are the responsibility of the SMF, in the event of accidents or theft of such devices from buses, the SMF will be required to replace and ensure that the required service is resumed.
- Provision of monthly report on:
 - a) passenger statistics (cash/multi journey)
 - b) Accurate data trip to determine route viability
 - c) Actual departure and arrival time of each trip/late trips and early departures with identification of trips per route.
 - d) Details of trips and kilometers operated
 - e) DNO and late and early departure and arrival times
 - f) Any route deviations

3.2.3 Financial Controls

The SMF shall monitor the financial performance of bus contracts and submit in the monthly reports, the under-expenditure and mitigation plans to resolve inadequate contract operations.

4. BRIEFING SESSION

There shall be a compulsory briefing session in line with Disaster Management regulations

Date :

Venue: 31-34 Molopo Road, Safety House

Time : 10:00

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

Contact Persons: For Clarity on bidding form:

**PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED
COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS**



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

Ms. L. Motlhamme – 018 200 8416 – LLMotlhamme@nwpg.gov.za

For Clarity on Specifications:

Mr S Tladi – 018 200 8086 – stevetladi@nwpg.gov.za

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

5. EQUIPMENT/SYSTEM REQUIRED

Monitoring and Integrated Automatic Trip/Location System

6. DURATION OF THE CONTRACT

The successful bidder will be appointed for a period of twenty-four (24) months.

7. TIMELINE OF THE BID PROCESS

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

Activity	Date due
Advertisement of the bid in the: <ul style="list-style-type: none">- Government Tender Bulletin; and- National Treasury Tender Portal	
Distribution of bid documents on the departmental website	
Compulsory briefing session	
Bid closing date	
Notice to bidder(s)	

***Dates subject to change.**

All times in this document are South African Standard Time. Any time or date in this bid is subject to change at the Department's sole discretion. The establishment of a time or date in this bid does not create an obligation on the part of the department to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The bidders accept that,

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS



if the Department extends the deadline (the closing date) for bid submissions for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

8. CENTRAL SERVICE PROVIDER DATABASE [CSD]

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

9. INSTRUCTION TO BIDDERS

- 9.1 Bid must be properly packaged, clearly marked CS&TM: 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 before the closing date and time **11h00**
- 9.3 Late submissions 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. SECTION 1

10.1 Special Conditions of Contract (SCC)

- The applicant must be registered and supply proof that the bidder’s company is active on the Central Service Provider Database (CSD)
- A bidder must provide free maintenance for each monitoring system for a period of the contract.
- A bidder must adhere to a turnaround time of not more than five days when there are problems with the system.
- Bidders will be required to conduct training on the use of control room equipment within two (2) months after appointment and proof of training to be submitted to the Department
- Bidder to have an insurance policy on the installed monitoring system within thirty (30) days of appointment.

SECTION 2

- General Conditions of Contract (GCC)

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

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

Bidders are required to complete the following checklist and to submit it with their bids: Please note that all the information listed below should be included in the bid.

		COMPLIANT? (TICK ✓ IN APPROPRIATE BOX)	
NO	REQUIREMENT	YES	NO
1	SECTION 1		
1.1	Standard Bidding Documents:		
SBD 1	Invitation		
SBD 3.2	Pricing Schedule – Non Firm Price		

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

SBD 4	Declaration of Interest		
SBD 6.1	Preference Points Claim Form in Terms of The Preferential Procurement Regulations 2022		
2	SECTION 2		
2.1	Special Conditions of Contract (SCC)		
3.	SECTION 3		
3.1	General Conditions of Contract (GCC)		
4.	ATTACHMENTS		
4.1	CSD Registration number (Summary Report)		
4.2	Valid Original or Certified BBEE Certificate / Sworn affidavit		

11. SPECIAL REQUIREMENTS AND CONDITIONS OF BID

Bidders should adhere to the following special conditions:

12.1 PRE-QUALIFICATION CRITERIA

Not applicable

12.2. ORDERING

12.2.1. SERVICE PROVIDER

12.2.1.1. The successful service provider will receive an appointment letter from the Department (it is a pre-requisite that the service is rendered upon receipt of appointment letter from Department to avoid the risk of not being paid).

12.2.1.2. The service rendered must be in terms of the specification and SLA / Contract.

12.3. INFRASTRUCTURE

N/A

12.4. DELIVERY

12.4.1. Contracted service providers must be able to supply, deliver, install, commission and maintain software after signing of the SLA.

12.4.2. Must continue to monitor the operations from the beginning to the last date of appointment.

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

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

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

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

12.6.7. 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.

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

12.7. **INSPECTIONS**

12.7.1. Designated government officials will conduct inspections prior to award of contract, or anytime during the duration of the contract period. Monthly oversight and random visits by designated government officials together with Supply Chain Management shall be done.

12.8. **REPORTING**

The service provider shall do the overall monthly reporting to the project manager of the Department of Community Safety and Transport Management

The service provider shall provide services strictly in accordance with the specification as well as other relevant legislative provisions in line with the contract or the SLA. The project manager or his delegate shall be directly responsible for monitoring all activities including the preparation of monitoring reports and their timeous submission to the department.

12.9. OBLIGATIONS

- 12.9.1. The Department is obliged to ensure that the contracted service provider renders service to the Department in line with the approved specification within the specified period after appointment.
- 12.9.2. Contracted service provider is obliged to render services in line with the approved specification to the **Department of Community Safety and Transport Management** in the North West Province within specified period.
- 12.9.3. The contracted service provider is obliged to provide the **Department of Community Safety and Transport Management (Government)** with a comprehensive implementation plan.
- 12.9.4. The **Department of Community Safety and Transport Management (Government)** to pay the contracted service provider within the stipulated 30 days period.
- 12.9.5 Default by either party (i.e. the contracted service provider or any government department) in terms of delivery, quality of products and payments must be reported within Seven (7) working days to the Supply Chain Management Office.
- 12.9.6 All parties are obliged to adhere to these Special Conditions of bids as stipulated in the attached bid forms and General Conditions of Contract.

12.10. SERVICE LEVEL AGREEMENT

- 12.10.1. The Department will enter into a Service Level Agreement with contracted service providers.

12.11. INDUCTION

- 12.11.1. Bidders will be required to conduct training on the use of the system to the officials and departmental officials.

13. EVALUATION CRITERIA

Bids will be evaluated on functionality first before being evaluated on **80/20** and bidders which do not reach the set functionality threshold of **70 points** will be disqualified and not be evaluated further on price and specific goals.



Evaluation Criteria	Weighting
Price	80
Preferential goals	20

Stage 1

Mandatory, Technical and Administrative requirements

- Proof of the following documents will be required: -
- 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)
- In case of a joint venture/trust/consortium partnership, an agreement must be attached

NB: Failure to submit, completed and signed any of the above documents will render the bid non-responsive.

- CSD Registration number (Summary Report)

STAGE 2: FUNCTIONALITY CRITERIA

Technical criteria will be scored out of 100 points and the minimum threshold to qualify is 70 points. Bidders who fail to meet the minimum threshold will not be considered for further evaluation. The evaluation criteria to score bidders' technical criteria are as follows:

<p>Experience in electronic fleet/bus monitoring system (Completed project with reference letter) The valid reference letter should be on the client's letterhead. It should include a description/scope of service completed, duration of the contract, contact person details, and signed by the client.</p>	<p>Years of experience where a tenderer has successfully implemented and commissioned electronic fleet/bus monitoring projects.</p> <p>10 years and above = 40 06 – 09 years = 30 03 – 05 years = 20 01 – 02 years = 10 Less than 01 year = 00</p>	<p>40</p>
<p>Experience in the Supervision and Monitoring of commuter bus transport</p>	<p>Years of experience where a bidder has successfully implemented supervising and monitoring of commuter bus projects.</p> <p>10 years and above = 40 06 – 09 years = 30 03 – 05 years = 20 01 – 02 years = 10 Less than 01 year = 00</p>	<p>40</p>
<p>Technical proposal</p>	<p>Technical proposal: The bidder must submit a technical proposal on supply, installation and testing, commissioning, operation, and maintenance of EMS operations to ensure achievement of the operational requirements which includes the following or more features:</p> <ul style="list-style-type: none"> • Availability and method of installation of hardware of 	<p>20</p>

	<p>vehicle, durability, and quality of the system with clear timelines.</p> <ul style="list-style-type: none"> • Efficiency of electronic monitoring method, including relevant functionalities. • Monitoring of 100% of subsidised bus transport vehicles, routes, and trips per operator, local and district municipality. • Delivery and access to required daily, weekly, monthly, and annual reports timeously. <p>Attached proposal capturing all enlisted or more features = 20</p> <p>Proposal not attached or having less than above required features = 00</p>	
TOTAL		100

STAGE 3: PRESENTATIONS BY PROSPECTIVE BIDDERS

Bidders will be scored out of 100 points and the minimum threshold to qualify is 70 points. Bidders who fail to meet the minimum threshold will not be considered for further evaluation.

Presentation contents	Description	WEIGHT
Public Transport Electronic Monitoring or Management System.	<p>The bidder must be able to demonstrate how the proposed electronic fleet/bus monitoring system complies with the relevant IT infrastructure / IT quality management system</p> <ul style="list-style-type: none"> • The bidder demonstrated a lack of understanding or relevant IT infrastructure required for fleet management and tracking system = 05 • The bidder demonstrated a minimal understanding of the relevant IT infrastructure required for fleet management and tracking system = 10 • The bidder demonstrated a least satisfying understanding of the relevant IT infrastructure required for fleet management and tracking system = 15 	20

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

	<ul style="list-style-type: none"> The bidder exceptionally demonstrated a high level of understanding IT infrastructure required for fleet management and tracking system = 20 	
	<p>The bidder must bring their PTMS and counting system to demonstrate the capabilities of the system that will be utilised, including how the tracking and counting system will comply with the Department’s reporting requirement</p> <ul style="list-style-type: none"> The bidder demonstrated a lack of understanding of fleet management and tracking systems to be used for monitoring purposes = 05 the bidder demonstrated a minimal understanding of the required fleet management and tracking system to be used for monitoring purposes = 10 the bidder demonstrated a least satisfying understanding of fleet management and tracking systems to be used for monitoring purposes =15 the bidder exceptionally demonstrated high-level fleet management and tracking system to be used for monitoring purposes = 20 	<p>20</p>
	<p>The bidder must demonstrate the system’s capability for the delivery of the daily, weekly, monthly, and annual report (learner statistics, trip and kilometers operated, etc) and the system must have playback capabilities and operational filters</p> <ul style="list-style-type: none"> the bidder’s system demonstrated a lack of capabilities to deliver the required electronic monitoring system = 05 the bidder’s system demonstrated minimal capabilities to deliver on the required monitoring system 	<p>20</p>

	<ul style="list-style-type: none"> the bidder's system demonstrated a least satisfying level of capability to deliver on the required monitoring system = 10 the bidder system exceptionally demonstrated a high level of capability in terms of the required = 15 the bidder system exceptionally demonstrated a high level of capability in terms of the required = 20 	
Supervision and Monitoring of commuter bus transport	<p>The bidder must be able to demonstrate experience in Supervision and Monitoring of Commuter Bus Transport.</p> <ul style="list-style-type: none"> The bidder demonstrated a lack of understanding or relevant experience required in SMF on commuter bus services = 05 The bidder demonstrated a minimal understanding and relevant experience required in SMF for commuter bus transport = 10 The bidder demonstrated a least satisfying understanding and relevant experience in the SMF for commuter bus transport = 15 The bidder exceptionally demonstrated a high level of understanding and experience in SMF for commuter bus transport = 20 	20
System Durability	<p>The bidder must demonstrate the system's durability or endurance test due to the conditions of the learner transport roads (gravel and dusty)</p> <ul style="list-style-type: none"> the bidder's system cannot cope with friction and vibration caused by the conditions of the road = 05 the bidder's system has minimal coping properties to friction and vibration caused by the condition of the road = 10 the bidder's system demonstrated the least satisfying properties to cope with friction and vibration caused by the condition of the road = 15 the bidder's system exceptionally demonstrated high-level properties to cope with friction and vibration caused by the conditions of the road = 20 	20

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY-FOUR (24) MONTHS

	Total	100
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Stage 4: Additional objective criteria.

None

Stage 5: Special goals

Special goal	Achievement level	Preference Points allocated (80/20)
Promotion of enterprises owned by previously disadvantaged individuals (blacks)	51-100%	05
	0%-50%	00
Promotion of enterprises owned by previously disadvantaged individuals (women)	51-100%	05
	0%-50%	00
Promotion of enterprises owned by previously disadvantaged individuals (youth)	51-100%	04
	0%-50%	00
Promotion of enterprises owned by previously disadvantaged individuals (people living with disabilities)	51-100%	04
	0%-50%	00
Promotion of enterprises owned by previously disadvantaged individuals (military veterans)	51-100%	02
	0%-50%	00

Preference Point System

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 80/20 preference point system and the lowest acceptable Total Cost of Ownership (TCO) tender will be used to determine the applicable preference point system.

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

$$P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{min} = Comparative price of lowest acceptable bid

Bidders are required to complete the preference claim form (SBD 6.1) in order to claim the preferential goals points.

Evaluation of trust, consortium, joint venture or partnership

A trust / consortium / joint venture / partnership must submit a signed agreement that clearly stipulates the % of ownership and address/place of business.

The agreement must clearly state participation of the several constituent persons and/or companies and/or firms and the period of duration of the agreement.

A trust / consortium / joint venture / partnership must submit a certificate signed by or on behalf of each participating person and/or companies and/or firms authorizing the person who signed the bid to do so.

Where a trust / consortium / joint venture / partnership is involved, each party must be registered on the CSD and their tax compliance status will be verified through the CSD or through SARS.

13. PRICING

13.1 Bidders must complete pricing schedule form SBD 3.2 (Pricing schedule non-firm prices)

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

INVITATION TO BID

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

BID NO: CS&TM07/23/24 CLOSING DATE: 26 APRIL 2024 CLOSING TIME: 11:00 AM

DESCRIPTION: PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES
FOR SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY FOUR (24) MONTHS

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.....
CELL PHONE NUMBER
FACSIMILE NUMBER CODE NUMBER.....

PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR
SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY FOUR (24) MONTHS.

VAT REGISTRATION NUMBER

HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED (SBD 2)? YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU? YES/NO
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

**PROVISION OF SUPERVISION AND ELECTRONIC BUS MONITORING SERVICES FOR
SUBSIDISED COMMUTER TRANSPORT FOR A PERIOD OF TWENTY FOUR (24) MONTHS.**

**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

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of institution	State

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

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

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

Where

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

P_t = Price of the quotation or bid under consideration

P_{min} = 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

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

Where

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

P_t = Price of the quotation or bid under consideration

P_{max} = Price of highest acceptable quotation or bid

4. DCSTM SPECIFIC GOALS

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

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

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

5. POINTS AWARDED FOR SPECIFIC GOALS FOR QUOTATIONS AND BIDS

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

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

Specific Goals in terms of PPR2022	Points out of 20 for the 80/20 system	Points applied DCSTM	Points Claimed
			By: SP/Supplier
1. Promotion of enterprises owned by people on the black of race(≥51% own by black people)	05		
2. Promotion of enterprises owned by women (≥51% own by black people)	05		
3. Promotion of enterprises owned by	04		
4. Promotion of enterprises owned by military veterans	02		
5. Promotion of enterprises owned by people living with disabilities	04		
TOTAL:	20		

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
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17. Prices
18. Contract amendments
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20. Subcontracts
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23. Termination for default
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25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

