



## **TENDER NUMBER EDM/08/2026-27**

# **APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE EHLANZENI DISTRICT MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK**

**CLOSING DATE: WEDNESDAY, 29 JULY 2026**

**CLOSING TIME: 12H00**

**NAME OF TENDERER: \_\_\_\_\_**

**CSD REGISTRATION NUMBER: \_\_\_\_\_**



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EHLANZENI  
DISTRICT MUNICIPALITY

## TENDER NOTICE AND INVITATION TO TENDER

### TENDER NUMBER - EDM/08/2025-26

#### APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE EHLANZENI DISTRICT MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK

Tenders are hereby invited from capable and experienced service providers for the above tender.

**1. Only tenderers who have provided the following mandatory information and documents to be used to evaluate the bidder's responsiveness will be considered for further evaluation on functionality;**

1. Only tenderers who have provided the following mandatory information and documents to be used to evaluate the tenderers responsiveness will be considered for further evaluation on functionality and preference specific goals.
  - 1.1 Only tenderers who are registered on the Central Supplier Database (CSD) will be considered and the copy of the full CSD report not older than three months should be submitted.
  - 1.2 Form of offer must be firm, VAT and other tax inclusive and valid at least Ninety (90) days from the closing date.
  - 1.3 No tender shall be considered for the person who are in the service of the state,
  - 1.4 Valid SARS PIN certificate must be attached,
  - 1.5 Attached original Certified copy of company registration documents issued by Companies and Intellectual Property commission (CIPC) and tenderer must attach shareholder's certificates where applicable.
  - 1.6 Attached original Certified copies of Identity Documents (ID) of all company directors,
  - 1.7 Attach verifiable Municipal Account/s not older than three months for both the tenderer and entity owner/s or director/s. In areas where the municipalities are not issuing municipal accounts, attach valid lease agreements or confirmation of residence or address for both the tenderer and entity owner/s or director/s issued by a relevant authority not older than three months.
  - 1.8 Tenderers submitting tenders as a joint venture or consortium must attach a signed agreement by all parties to the joint venture or consortium.
  - 1.9 Fully completed tender document as issued and signed must be submitted on the PDF document that has been issued. All certified copies must not be older than three months.
  - 1.10 Tenderers are advised not to commit any fraudulent activities, including forgery of documents. All abuses of the Supply Chain Management (SCM) systems including but not limited to forgery of returnable documents, may be reported to the South African Police Service (SAPS) and restricted from doing business with any public institution or organ of the state for a period not exceeding 10 years in line with the Prevention of Fraud and Corrupt Activities Act 12 of 2004.
2. This tender will be evaluated on 80/20 Preference Points system approved Preferential Procurement Policy of the Ehlanzeni District Municipality. The preference points system will be applied as follows: -
  - 2.1 The 80 points will be for price
  - 2.2 The 20 points will be allocated for the specific goals on a proportional or pro rata basis as mentioned below: -

| POINTS FOR CONTRACTING AN ENTERPRISE OWNED BY HISTORICALLY DISADVANTAGED PERSONS OR INDIVIDUALS      |                   |  |
|--|-------------------|--|
| HISTORICALLY DISADVANTAGED PERSONS OR INDIVIDUALS  | POINTS ALLOCATION | SOURCE DOCUMENTS REQUIRED TO CLAIM POINTS  |
| 100% black person or people owned enterprise   | 5,00              | ➤ A copy of a Full CSD report not older than 3 months  |
| More than 30% woman or women shareholding or owned enterprise  | 2,00              |  |
| more than 30% youth shareholding or owned enterprise   | 2,00              |  |
| More than 30% people living with disability shareholding or owned enterprise                         | 2,00              | ➤ A copy of a Medical Certificate to confirm disability or stated on the CSD   |
| More than 30% military veteran's shareholding or owned enterprise                                    | 2,00              | ➤ Points will be allocated if it is stated on the CSD that the enterprise is owned by persons designated as military veterans  |
| POINTS FOR IMPLEMENTING OF RDP PROGRAMMES  |                   |  |
| Enterprises regarded as *EME located within the Ehlanzeni District Municipality area of jurisdiction | 2,00              | ➤ A copy of a Full CSD report not older than 3 months<br><b>NB:</b> Points will only be awarded if the CSD physical address is the same as the address for the proof of residence required in 1.7 above. |
| B-BBEE level 1 contribution  | 5,0               | ➤ Certified Valid BBBEE certificate<br>➤ or Certified Valid EME and SME a Sworn Affidavit<br>➤ or Certified Valid CIPC issued certificate confirming annual turnover and level of Black Ownership        |
| <b>TOTAL PREFERENCE POINTS TO BE CLAIMED</b>   | <b>20,0</b>       |  |

**\*EME's are Exempted Micro Enterprise with an annual Turnover of R 10.0million or less.**

Received tenders will be evaluated for responsiveness based on mandatory requirements and on functionality to obtain a minimum of 70 points out of a possible 100 points to qualify for further evaluation in line with 80/20 Preference Points System.

Tender Documents can be viewed and downloaded at no cost on Document sharing and collaboration Platform or Portal (NEPTUNE): <http://edmservices.ehlanzeni.gov.za> and National Treasure Portal from **Monday, 13 July 2026**. Further information regarding the download and uploading of the documents will be explained during the compulsory briefing session.

A compulsory briefing session will be held on **Thursday, 16 July 2026 ,11:00 at Ehlanzeni District Municipality Complex, DMC, 8 Van Niekerk Street, Sonheuwel Central, Mbombela 1201.**

Where bids should be submitted - Completed bid and other returnable documents must be submitted only in PDF format on the Document Sharing and Collaboration Platform or Portal: <http://edmservices.ehlanzeni.gov.za> on or before **Wednesday, 29 July 2026 not later than 12h00.**

**Tender Documents received by telegram, fax and post will not be considered. Late tenders shall not be accepted.**

**Enquiry:** Contact Person - ADMINISTRATION: Mr SP Khumalo at 013 759 8573 or [pkhumalo@ehlanzeni.gov.za](mailto:pkhumalo@ehlanzeni.gov.za)  
- TECHNICAL: Ms DD Magale 013 759 8500 or [npulumo@ehlanzeni.gov.za](mailto:npulumo@ehlanzeni.gov.za)

**Special Conditions:**

*Ehlanzeni District Municipality reserves the right to appoint for the whole or part of the tender or to cancel the tender*

**Employer: Acting Municipal Manager: Ms. S S Madlopha**  
**Ehlanzeni District Municipality**  
**P.O. Box 3333**  
**MBOMBELA**  
**1200**

**PART A INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EHLANZENI DISTRICT MUNICIPALITY**

|             |   |               |              |               |       |
|-------------|---|---------------|--------------|---------------|-------|
| BID NUMBER: | EDM/08/2026-27  | CLOSING DATE: | 29 JULY 2026 | CLOSING TIME: | 12h00 |
| DESCRIPTION | APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE EHLANZENI DISTRICT MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK |               |              |               |       |

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

BID RESPONSE DOCUMENTS MUST BE SUBMITTED ON THE TENDER MANAGEMENT PLATFORM

**SUPPLIER INFORMATION**

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

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

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

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:      TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**ALL ENQUIRIES SHOULD BE SENT ELECTRONICALLY VIA E-MAIL TO [pkhumalo@ehlanzeni.gov.za](mailto:pkhumalo@ehlanzeni.gov.za)**

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

## **SPECIAL CONDITIONS OF THE TENDER**

### **1. SUBMISSION OF TENDERS**

Tender documents must be submitted through Document Sharing and Collaboration Platform (NEPTUNE) via the Portal: <http://edmservices.ehlanzeni.gov.za>.

### **2. TENDER DOCUMENT AVAILABILITY**

It is compulsory that service providers download a copy of the tender document that will only be available from Monday, 13 July 2026 on the above Ehlanzeni District Municipality Portal, free of charge.

### **3. ADJUDICATION OF TENDER**

Ehlanzeni District Municipality will not be bound to accept the lowest or any tender.

The tender will be adjudicated using EDM Supply Chain Management and in terms of the Preferential Procurement Policy Framework Act, 05 of 2000 and as defined in the conditions of tender in the tender document, read in conjunction with the Preferential Procurement Regulation of 2022, where 80 points will be allocated in respect of price and 20 points in respect of specific goals.

### **4. COMPLETION OF TENDER DOCUMENTS**

Tenders will only be considered on receipt of this tender document correctly completed with all insertions in black ink and signed.

The compulsory documentation as stated in the tender advertisement and data **MUST** be attached in order for the tender to be considered responsive.

### **5. COMPULSORY BRIEFING SESSION**

Refer to tender advertisement notice.

### **6. TAXES AND DUTIES PAYABLE**

Tenderers shall allow in their tender for the payment and recovery of all taxes and other duties. No claims for additional payment in this respect will be considered. Prices and rates quoted shall be inclusive of Value Added Tax (VAT). VAT shall be recorded as a lump sum in the tender summary and the total inclusive of VAT carried to the Form of Tender on the MBD1.

### **7. WITHDRAWAL OF TENDER**

In the event of the successful tenders failing to execute the service in terms of this tender, the Municipality shall be entitled to cancel the contract summarily, in which event the tenderer shall be liable for any additional expense incurred by reason of the Municipality having to call for fresh tenders or having to accept any less favourable tender.

### **8. NOTICE OF TENDERERS**

Should any additions or alterations to the document as issued tenderers be deemed necessary prior to the date for submission of tenders, these will be issued to tenderers in the form of Notices and will form part of the tender document.

The Notices to Tenderers shall be completed where applicable by tenderers, signed, dated

and returned with the tender documents.

#### **9. PERIOD OF VALIDITY OF TENDERS**

The period of validity of tenders shall be **90** days as stated in the tender form and be calculated from the closing date for submission of tenders.

#### **10. TENDER PRICE**

All prices must include delivery and VAT where applicable. All prices must be stated in South African currency (ZAR) and will be regarded firm. Prices must include supply, delivery and installation of the device.

#### **12. CESSION OF ASSIGNMENT**

Neither the Council nor the tenderer shall not cede or assign a contract for the required rendering of services or any part thereof or any benefit or interest therein or there under to third parties without having obtained written permission from the Council.

Successful tenderers will be expected to deliver within 14 days after the receipt of the official purchase order. Failure to deliver within the stipulated timeframes will lead to immediate cancellation of the purchase order.

#### **13. CONTRACT DURATION**

The contract duration for the completion of the project is ten months from the commencement date.

#### **14. NEGOTIATION OF RATES AND AWARD**

The municipality reserves the right to negotiate the offers that comply with the tender requirements.

#### **15. DELIVERY AND LEAD TIMES**

The required services must be delivered within the specified and approved time frame from the date of commencement with the required services from designated official/ss of the municipality.

#### **16. CONTRACT REVIEW**

The tender will be based on a fixed offer for the duration of the project, and no offer review or adjustment is applicable on the project

# **TERMS OF REFERENCE FOR APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE EHLANZENI DISTRICT MUNICIPALITY SPATIAL DEVELOPMENT FRAMEWORK**

## **1 INTRODUCTION**

- 1.1 Ehlanzeni District Municipality seeks to appoint a suitably qualified and experienced service provider to undertake a review of the District Spatial Development Framework (SDF) in the Mpumalanga Province. The service provider must primarily be a firm specialising in Town, Urban, and Regional Planning, supported by a multi-disciplinary team of experts (as detailed in Section 7.1), to deliver the project over a period of ten (10) months.
- 1.2 In terms of Section 12 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013), all spheres of Government are required to prepare a Spatial Development Framework for their areas of jurisdiction.
- 1.3 Section 20 of SPLUMA provides that Municipal SDFs must be prepared as part of a municipality's Integrated Development Plan (IDP) in accordance with the provisions of the Local Government: Municipal Systems Act (Act No. 32 of 2000).

## **2 BACKGROUND**

- 2.1 The Ehlanzeni District Municipality SDF was adopted by Council in 2019. The review of the SDF is driven by the legislative requirement to maintain a current and compliant SDF in accordance with the provisions and principles of SPLUMA and the Comprehensive SDF Guidelines developed by the Department of Rural Development and Land Reform (DRDLR).
- 2.2 The spatial, socio-economic and environmental landscapes in the district have changed significantly since the adoption of the previous SDF, necessitating a comprehensive review to ensure the SDF remains responsive to contemporary socio-economic trends and emerging developmental realities. The updated SDF must address persistent spatial disparities, uneven economic development, and uncoordinated land use, while mitigating the risks posed by climate change and environmental degradation. In this light, the review of the SDF also seeks to align the district's spatial strategy with current realities to unlock the municipality's significant socio-economic potential.

## **3 LEGISLATIVE FRAMEWORK**

### **3.1 The Municipal Systems Act (2000)**

- 3.1.1 The Local Government: Municipal Systems Act, Act 32 of 2000, first introduced the Municipal Spatial Development Framework as a mandatory component of the IDP that every municipality is required to adopt.
- 3.1.2 The provisions of the Municipal Systems Act relating to Municipal Spatial Development Frameworks must be read in conjunction with the relevant provisions of the Spatial Planning and Land Use Management Act (SPLUMA), particularly Part E of SPLUMA. While the MSA establishes the core features of the MSDF, SPLUMA provides additional, detailed provisions.

### **3.2 The Spatial Planning and Land Use Management Act (2013)**

- 3.2.1 In the preparation of the SDF, Section 21 of SPLUMA states that a Municipal Spatial Development Framework must:
  - a) give effect to the development principles and applicable norms and standards set out in Chapter 2;
  - b) include a written and spatial representation of a five-year spatial development plan for the spatial form of the municipality;

- c) include a longer-term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years;
- d) identify current and future significant structuring and restructuring elements of the spatial form of the municipality, including development corridors, activity spines and economic nodes where public and private investment will be prioritized and facilitated;
- e) include population growth estimates for the next five years;
- f) include estimates of the demand for housing units across different socioeconomic categories and the planned location and density of future housing developments;
- g) include estimates of economic activity and employment trends and locations in the municipal area for the next five years;
- h) identify, quantify and provide location requirements of engineering infrastructure and services provision for existing and future development needs for the next five years;
- i) identify the designated areas where national or provincial inclusionary housing policy may be applicable;
- j) include a strategic assessment of the environmental pressures and opportunities within the municipal area, including the spatial location of environmental sensitivities, high potential agricultural land and coastal access strips, where applicable;
- k) identify the designation of areas in the municipality where incremental upgrading approaches to development and regulation will be applicable;
- l) Identify the designation of areas in which:
  - i. More detailed local plans must be developed
  - ii. Shortened land use development procedures may be applicable and land use schemes may be so amended;
- m) Provide the spatial expression of the coordination, alignment and integration of sectoral policies of all municipal departments;
- n) Determine a capital expenditure framework for the municipality's development programmes, depicted spatially;
- o) Determine the purpose, desired impact and structure of the land use management scheme to apply in that municipal area; and
- p) Include an implementation plan, comprising of:
  - i. Sectoral requirements, including budgets and resources for implementation;
  - ii. Necessary amendments to a land use scheme;
  - iii. Specification of institutional arrangements necessary for implementation;
  - iv. Specification of implementation targets, including dates and monitoring indicators; and
  - v. Specification, where necessary, of any arrangements for partnerships in the implementation process.

## **4 OBJECTIVES**

- 4.1 The primary objective of the project is to appoint a suitably qualified service provider to prepare a reviewed Spatial Development Framework for the Ehlanzeni District Municipality. Guided by the provisions of SPLUMA, the SDF shall, *inter alia*:
- 4.1.1 Establish a clear and comprehensive spatial development trajectory for the Ehlanzeni District Municipality that guides future growth and investment.
- 4.1.2 Give effect to the development principles contained in Chapter 2 of SPLUMA including: -
- a) Spatial Justice;
  - b) Spatial Sustainability;
  - c) Efficiency;
  - d) Spatial Resilience;
  - e) Good Administration.
- 4.1.3 Inform and improve cross-sectoral project implementation by establishing a coherent framework that coordinates planning, infrastructure, and institutional interventions across the district.
- 4.1.4 Identify key areas for industrial, commercial, and agricultural investment while addressing housing needs through a diverse range of typologies.
- 4.1.5 Safeguard the natural environment, including conservation corridors, hydrological resources, and biodiversity areas, by mitigating the risks posed by climate change and environmental degradation.
- 4.1.6 Address rural development through the integration of urban and rural areas, the targeted provision of social and economic amenities in accordance with established norms and standards.
- 4.1.7 Ensure a transparent process that communicates the desired spatial form to the public, provides a clear rationale for all spatial proposals, and facilitates meaningful participation from all stakeholders.

## **5 SCOPE OF WORK**

- 5.1 The appointed service provider shall execute the following tasks towards the development of the reviewed Spatial Development Framework (SDF):
- 5.1.1 Conduct a comprehensive status quo analysis, including but not limited to, sectoral and spatial assessments, policy reviews, and a rigorous gap analysis of the Ehlanzeni District Spatial Development Framework 2019.
- 5.1.2 Draft a Spatial Vision for the SDF, ensuring full alignment with the municipal IDP. The proposed vision shall be subject to a consultative process with the municipality and relevant stakeholders to ensure institutional consensus.
- 5.1.3 Develop evidence-based spatial challenges, options, and proposals. This analysis must account for local circumstances, economic dynamics, and municipal policies, while ensuring alignment with provincial and national strategic frameworks, including the National Development Plan, Climate Change Adaptation Strategy and Strategic Infrastructure Projects. The exercise must identify emerging trends, spatial conflicts, and institutional tensions, providing actionable spatial interventions to address them.

- 5.1.4 Compile a detailed Capital Expenditure Framework and a phased Implementation Plan. These components must be intrinsically linked to the spatial proposals within the SDF and explicitly delineate responsibilities for implementation across all relevant spheres of government and external stakeholders, supported by clear, actionable timelines.
- 5.1.5 Ensure full compliance with the requirements stipulated in Section 21 of SPLUMA. The service provider shall furnish the Ehlanzeni District Municipality with all statutory documentation and reports mandated in terms of SPLUMA.
- 5.1.6 Develop and execute a comprehensive stakeholder engagement plan to facilitate meaningful consultation across government, the private sector, and civil society throughout the project lifespan. The service provider shall maintain the professional flexibility to accommodate ad-hoc consultative sessions as deemed necessary by the municipality.
- 5.1.7 Identify and compile a comprehensive, sector-wide list of priority projects within the municipal area. The project list must be spatially referenced, aligned with the SDF's development objectives and proposals, and structured to inform implementation planning, budgeting, and investment prioritisation.

## **6 DELIVERABLES**

- 6.1 The appointed service provider will be required to deliver the following to Ehlanzeni District Municipality:
  - a) Spatial Development Framework with spatial challenges and opportunities, spatial vision, spatial proposals and options report with related mapping submitted in digital format and a full color hard copy.
  - b) Capital Expenditure Framework and Implementation Plan (Graphically Illustrated) for approval by council.
  - c) Executive Summary Document and a public participation report;
  - d) SDF textual document including all maps, tables and figures in both hardcopy (printed) and softcopy (electronic as MS word document) image files as (e.g. JPEG, windows Bitmap, GIF, etc.);
  - e) A0 SDF Maps x 25;
  - f) GIS information (spatial information collected and derived) should be submitted in GIS capable file format i.e. shapefiles, geo-database, layer file, data package, MXD files and must include metadata records captured in line with the South Africa National Standard (SANS - 1878). Spatial information captured must be in line with Regulation 5(2) of the Spatial Data Infrastructure Act, 2003.
- 6.2 Submissions of reports should be in the form of both hard and electronic versions. Ownership of documentation collected from this assignment vest in the municipality. The municipality will become the custodian of documentation submitted. The service provider will be responsible for the layout design and editing of the publication in line with the municipal corporate identity. The project manager must sign off the final document before printing. The proposed specification for the Final SDF can be seen below: -

|   |  |
|---|--|
| <b>Booklet Size</b>   |  |
| <b>Cover Page</b>   | 250 gsm Hi-Q Titan double coated gloss |
| <b>Text Printed</b>   | 113 gsm Hi-Q Titan double coated gloss |
| <b>Color</b>  | Full Colour                            |
| <b>Binding</b>  | PUR binding                            |
| <b>Volume</b>   | 50 copies                              |
| <b>An open file and a print ready artwork of the final Draft SDF and implementation plan is to be submitted on USB along with the all map mxd and Geo-database (shapefiles)</b> |  |

6.3 The GIS data must further meet the following requirements: -

- All maps should be in A4 size in the document;
- Maps must be numbered and listed in the page of contents;
- All the text in the maps and the legends must be legible;
- The same map template/ layout must be used throughout the document;
- All maps should have the basic map elements, namely: a title, north arrow, legend, scale bar;
- All the features on the map must be explained in the legend;
- All mapping must be developed at an appropriate and readable scale;
- All maps must also be available in Power point Presentation format as well as the corresponding Map Document (MXD) with all spatial information in shapefiles or a geodatabase ready to be accessed in ArcGIS;
- The final SDF Map should be printed on an AO size (x 25) and
- All maps must be included in the draft SDF document.

## 7 SKILLS REQUIRED

7.1 Companies with individuals with qualifications and extensive experience will be required as detailed in Table 1.

**Table 1: MINIMUM QUALIFICATIONS REQUIRED BY THE EDM FROM SERVICE PROVIDER**

| <b>No</b> | <b>Minimum Qualification</b>   | <b>Key Skill Set</b>  | <b>Registration Requirements</b>   |
|-----------|--|---|--|
| 1.        | B Degree in Town/Urban/City and Regional Planning B Degree in Urban Design                     | <ul style="list-style-type: none"> <li>• Spatial Planning</li> <li>• Land use management</li> <li>• Urban Design</li> <li>• Report writing</li> </ul> | Registration with SACPLAN as Professional Planner  |
| 2.        | B Degree in Economics with specialization in Urban/Development Economic                        | <ul style="list-style-type: none"> <li>• Development Economics</li> <li>• Urban Economics</li> </ul>  |  |
| 3.        | Relevant Qualification related to Geographic Information Systems                               | <ul style="list-style-type: none"> <li>• Mapping</li> <li>• Spatial analysis</li> <li>• Data modelling</li> </ul>                                     | Registration with SAGC (South African Geomatics Council) as a GIS Practitioner/ Professional |
| 4.        | BSc in Civil Engineering with specialization in Infrastructure Planning and Transport planning | <ul style="list-style-type: none"> <li>• Infrastructure planning</li> <li>• Transport planning</li> </ul>   | Registration with ECSA (Engineering Council of South Africa)                                 |
| 5.        | BSc or Bachelor's Degree or BTech Environmental Sciences/ Environmental                        | <ul style="list-style-type: none"> <li>• Environmental management</li> </ul>  |  |

|    |   |   |  |
|----|---|---|--|
|    | Management  |   |  |
| 6. | Diploma in Graphic Design or Visual Communication | <ul style="list-style-type: none"> <li>• Layout design</li> <li>• Animation</li> <li>• Attention to detail</li> </ul> |  |

7.2 The expertise listed above serves as the foundational requirement. Companies are encouraged to incorporate additional professional capacities they believe are vital to the successful delivery of this mandate.

7.3 The table below captures the core technical responsibilities anticipated for the project. These categories are provided to clarify the expected project outputs but are not intended to restrict the full range of professional services required to complete the assignment.

**Table 2: EXTENT OF WORK**

|   |
|---|
| <p><b>Town and Regional Planning</b></p> <ul style="list-style-type: none"> <li>• Consultation and stakeholder engagements (including workshops)</li> <li>• Skills Transfer Plan</li> <li>• Marketing Plan and Materials</li> <li>• National Legislation, Policies and Development Plans (NDP, SPLUMA etc.).</li> <li>• Provincial Legislation, Policies and Development Plans.</li> <li>• Assessment of specific legislation and regulations impacting on the national assets in the study area, specifically the National Key Points, etc.</li> <li>• District municipalities: IDP and SDF.</li> <li>• Local Municipalities: IDP and SDF.</li> <li>• Develop municipal spatial structure (Spatial Conceptual Vision)</li> <li>• Development trends and situational analysis.</li> <li>• Cross Border functional linkages, urban-rural linkages, functional nodes and corridors.</li> <li>• Synthesis: Spatial Structuring Elements.</li> <li>• Compilation of Spatial Development Framework.</li> <li>• Coordinate/Compile Implementation Framework <ul style="list-style-type: none"> <li>○ Capital and catalytic projects and costs</li> <li>○ Institutional and governance arrangements. Formulate proposal for management entity</li> </ul> </li> </ul> |
| <p><b>Environmental Management</b></p> <ul style="list-style-type: none"> <li>• Existing environmental policies in affected Municipalities and Provinces.</li> <li>• Topography, Hydrology and Catchment areas</li> <li>• State of the Environment and Pollution Risks</li> <li>• Other Environmental Policies Applicable</li> <li>• Synthesis: Environmental Issues</li> <li>• Proposed Environmental Management Guidelines for catalytic projects</li> <li>• Identification of priority environmental projects for the Implementation Plan.</li> <li>• Climate Change considerations and mitigation proposals.</li> </ul>   |
| <p><b>Economic Development (agricultural economist and logistics specialist expertise needed)</b></p> <ul style="list-style-type: none"> <li>• Existing economic policies applicable to the municipality include SALGA Baseline, Municipal LED Plans, Provincial Growth and Development Plans and District Rural Development Plans.</li> <li>• Socio-Economic Profile (not addressed in the Baseline Study) <ul style="list-style-type: none"> <li>○ Population size and composition</li> <li>○ Projected population growth</li> <li>○ Workforce (Characteristics)</li> <li>○ Education</li> <li>○ Income</li> <li>○ Unemployment</li> </ul> </li> <li>• Economic Overview</li> </ul>   |

|   |
|---|
| <ul style="list-style-type: none"> <li>○ Global, National and Provincial economic overview</li> <li>○ Economic overview focusing on sectoral characteristics, trends, forecasts and potential markets for: <ul style="list-style-type: none"> <li>○ Agriculture and Agri-hubs (key commodities and agricultural potential)</li> <li>○ Mining</li> <li>○ Industrial/Manufacturing</li> <li>○ Business</li> <li>○ Tourism</li> <li>○ Informal Sector</li> </ul> </li> <li>● Synthesis: Key local economic drivers, economic development potential, value chains and functional regions per sector.</li> <li>● Economic Development Strategy and Key Projects</li> </ul> |
| <b>Movement Network</b>   |
| <ul style="list-style-type: none"> <li>● A detailed investigation into the movement network: Provincial, District, Regional and Local Context: Road, Rail and Air</li> <li>● Public transport network and services (incl. key markets and logistics)</li> <li>● Identification of Municipal Issues</li> <li>● Inputs into SDF: <ul style="list-style-type: none"> <li>○ Proposed movement and public transport network projects</li> <li>○ Priority Projects</li> </ul> </li> </ul>   |
| <b>Engineering Services</b>   |
| <ul style="list-style-type: none"> <li>● Assessment of Bulk Infrastructure Network capacity: <ul style="list-style-type: none"> <li>○ Water (including water sources i.e. ground water and water quality)</li> <li>○ Sanitation</li> <li>○ Electricity</li> <li>○ Solid waste</li> <li>○ Communication infrastructure</li> </ul> </li> <li>● Identification of municipal issues and implications for Spatial Plans.</li> <li>● Inputs to SDF regarding: <ul style="list-style-type: none"> <li>○ Engineering Services Strategy</li> <li>○ Priority Projects</li> </ul> </li> </ul>  |

7.4 A qualified and skilled Town and Regional Planner, registered as a Professional Planner with SACPLAN, and with a background in project management, shall be appointed to manage the various specialists and coordinate the work undertaken under the project.

7.5 Proven experience and thorough understanding of the following are also required: -

- a) Spatial, social, economic and infrastructure development policies and legislation;
- b) Urban and rural development and land reform;
- c) Previous experience in the development of a spatial development framework, either at the municipal or provincial levels;
- d) Previous experience with policy and/ or planning work at a National Level;
- e) Strategic capability and understanding of the strategic planning process;
- f) Understanding of the interrelationship amongst the following: social, economic, land use, transport and environmental issues;
- g) Stakeholder and Project Management;
- h) Facilitation and negotiation skills;
- i) Research, analytical writing and communication skills.

## 8 PROJECT DURATION AND MILESTONES

8.1 The project will commence upon issuance of the letter of appointment and signing of the Service Level Agreement (SLA). The SLA will expire ten (10) months thereafter and may be amended, extended, or terminated early, depending on operational needs and the service provider's performance assessment.

8.2 The EDM reserves full rights to implement the above-mentioned clause.

8.3 The target dates for each milestone (as well as the associated deliverables) and the amount of financial compensation for the work done are detailed in Table 3 below.

**Table 3: PROJECT PHASES**

| <b>PHASE</b>  | <b>DELIVERABLE</b> | <b>DURATION</b>    | <b>KEY DELIVERABLE</b>   |
|---|--------------------|--------------------|--|
| <b>Phase 1: Inception report</b>                            |                    | 2 weeks            | Inception report<br>Stakeholder Engagement Plan  |
| <b>Phase 2: Data Collection and Research Analysis</b>       |                    | 2 months & 2 weeks | Status Quo and Spatial Analysis Report containing a minimum of socio-economic data versus land use practices, infrastructure provision and the natural environment.                              |
| <b>Phase 3: Draft SDF and Supporting Documents</b>          |                    | 3 months           | Draft SDF Report; Draft version contemplated in phase three must be a draft document in compliance with Chapter Four, Part E of the Spatial Planning and Land Use Management Act, Act 16 of 2013 |
| <b>Phase 4: Consultation and Comments</b>                   |                    | 3 months           | Consultation Report and Revised Draft Report   |
| <b>Phase 5: Final SDF and Capital Expenditure Framework</b> |                    | 1 month            | Final SDF and Capital Expenditure Framework for Council Adoption   |
| <b>Close-out report and Retention</b>                       |                    |                    | Copies of the Final SDF with proof of submission of the final SDF for approval by Ehlanzeni District Council   |
| <b>Total</b>  |                    | 10 months          |  |

8.4 A 5% retention will be paid once final project documentation has been approved and adopted by the relevant stakeholders.

8.5 The service provider shall submit monthly reports (per phase) to the designated project manager in both written and electronic formats. Stakeholder engagement is a continuous process across all project stages and must be reported as a distinct item in each monthly report (per phase). A final comprehensive report shall be submitted as a deliverable under Phase 6.

8.6 The service provider shall forfeit the total payment per milestone in the case of the project being delayed for longer than 30 days after the milestone due date.

8.7 The service provider may apply to the Ehlanzeni District Municipality for an extension on the delivery date on any milestone – provided that the service provider gives valid reason(s) to the sole satisfaction of the District Municipality.

## **9. UNDUE DELAY REMEDIES**

9.1 Should it be found that the delay of the Project in terms of the agreed time period is unreasonable then for every 5 (five) days or other stipulated time frame there shall be a penalty in terms of percentages which will be deducted from the payment as indicated below:

**Table 4: UNDUE DELAY PENALTIES**

| <b>Milestone</b>  | <b>% Payment</b> | <b>5 days overdue</b> | <b>10 days overdue</b> | <b>15 days overdue</b> | <b>30 days overdue</b> | <b>More than 30 days overdue</b> |
|---|------------------|-----------------------|------------------------|------------------------|------------------------|----------------------------------|
| <b>Phase 1: Inception report</b>                            | 5%               | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Phase 2: Data Collection and Research Analysis</b>       | 20%              | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Phase 3: Draft SDF and Supporting Documents</b>          | 30%              | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Phase 4: Consultation and Amendments</b>                 | 25%              | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Phase 5: Final SDF and Capital Expenditure Framework</b> | 15%              | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Retention</b>  | 5%               | 20%                   | 40%                    | 60%                    | 80%                    | 100%                             |
| <b>Total</b>  | 100%             |                       |                        |                        |                        |                                  |

**10. EXTRA WORK**

10.1 Any costs for extra work by the Service Provider, incurred over and above this bid which, in the sole opinion of the General Manager: Strategic and Social services, due to reasons attributable to the Service Provider during any phase of the project shall be borne by the service provider.

**11. CONTENTS OF THE PROJECT PROPOSAL**

11.1 A qualified and skilled Town and Regional Planner, registered as a Professional Planner with SACPLAN, and with a background in project management shall be appointed to manage the various specialists and coordinate the work undertaken under the project. The service provider will be expected to provide a clear and concise project proposal covering the aspects listed below as well as responding to the terms of reference.

11.2 An executive summary of the key issues covered in the Proposal.

11.3 A company profile and profile of each employee forming part of Project Team, with clear references to similar and related work undertaken in the past with clear evidence where a person/member participated in or managed certain projects in the past which bears relevance to the work at hand. Clear indication of actual roles and responsibilities must be presented with verifiable proof.

11.4 General methodology for undertaking work of this nature. The methodology should also indicate the project milestones that will be used to measure the project progress, as well as the cost breakdown.

11.5 Certified copies of all certificates, references, professional registration and related certification for all members of the proposed team must be attached.

11.6 Any other information relevant to the determination of the suitability of the interested bidder for this project should be listed.

11.7 All-inclusive costing model and a project plan.

11.8 The following technical information must be submitted with the bid proposal:

- a) Organogram outlining the project team members with a clear indication of the project leader and support team;
- b) Relevant professional experience of the team leader and core supporting experts;
- c) Organisational, managerial and technical ability;
- d) Full CVs of all proposed team members;
- e) Minimum 3 contactable current and previous client references for 3 different clients;
- f) Associations and Professional Affiliations of companies and individuals.

## 12 PROJECT MANAGEMENT WITHIN EHLANZENI DISTRICT MUNICIPALITY

This project will be facilitated by a team consisting of officials from Ehlanzeni District Municipality and any other person(s) appointed by the municipality.

## 13. FUNCTIONALITY CRITERIA

### 13.1 SUMMARY OF THE CRITERIA

| Description of functionality criteria | Total Points |
|---------------------------------------|--------------|
| Service Provider experience           | 40           |
| Financial Reference                   | 10           |
| Personnel Experience                  | 50           |

### 13.2. DETAILED FUNCTIONALITY EVALUATION CRITERIA

The tenderers will be required to meet the following functional requirements to qualify for further evaluation on the price preference point system.

| Description of functionality criteria   | Total Points |
|---|--------------|
| <p><b>Service Provider Experience:</b></p> <p>Tenderers must attach proof of track record or experience of tenderer on the supply and delivery of similar services provided not older than ten years as follows:</p> <ul style="list-style-type: none"> <li>• Tenderers must attach a maximum of four certified copies of appointment letters or purchase orders for the past ten (10) years, and each certified copy of appointment letter or certified copy of purchase order is allocated six (6) points – 24 Points</li> </ul> <p>Provide a maximum of three certified copies of reference letters supporting the projects submitted for the past ten (10) years.</p> <ul style="list-style-type: none"> <li>• Tenderers must attach a maximum of four certified copies of reference letters for similar / related projects carried out during the past ten years and each certified copy of reference letter is allocated four (4) points – 12 Points</li> </ul> | <b>40</b>    |

|  |                     |
|--|---------------------|
| <b>Financial Reference:</b>  |                     |
| <b>Bank Rating</b> with at least a minimum of “CODE C” or above. Tenderers must provide a bank rating indicating the bank account number, contact details of the banker and the banking rating should be on a bank letter head and signed. - 10 Points | <b>10</b>           |
| <b>Minimum Qualifications and Key Skill Set:</b><br><i>(CV's and certified copies of academic qualification and professional registration certificates to be submitted to claim points)</i>  | <b>Total Points</b> |
| B Degree in Town/Urban/City and Regional Planning B Degree in Urban Design with skills in spatial planning, land use management and urban design, report writing plus registration with SACPLAN as Professional Planner - 10 Points                    | <b>50</b>           |
| B Degree in Economics with specialization in Urban/Development Economic with skills in Development Economics and Urban Economics - 10 Points   |                     |
| Relevant Qualification related to Geographic Information Systems with skills in mapping, spatial analysis and data modelling plus Registration with SAGC (South African Geomatics Council) as a GIS Practitioner/ Professional - 5 Points              |                     |
| BSc in Civil Engineering with specialization in infrastructure planning and transport planning with skills in Infrastructure planning, transport planning plus registration with ECSA (Engineering Council of South Africa) - 15 Points                |                     |
| BSc or Bachelor's Degree or BTech Environmental Sciences/ Environmental Management with skills in environmental management - 5 Points  |                     |
| Diploma in Graphic Design<br>or Visual Communication with skills in layout design, animation and able to pay attention to detail – 5 Points  |                     |
| <b>Total points for functionality</b>  |                     |

**NB: Tenderers are required to obtain at least 70 points for functionality out of the total number of 100 points in order to qualify for further evaluation on preference point system.**

### 13. PRICING SCHEDULE

| ITEM               | ITEMS DESCRIPTIONS (DELIVERABLES)                                      | PRICE |
|--------------------|--|-------|
| 1.                 | Project Inception and Workplan   | R     |
| 2.                 | Data Collection  | R     |
| 3.                 | Spatial Analysis and Synthesis   | R     |
| 4.                 | The Draft SDF: Desired Conceptual Spatial Goal and Development Pattern | R     |
| 5.                 | Consultation and Amendments  | R     |
| 7.                 | Finalization and Approval  | R     |
| 8.                 | Project Close Out Report   | R     |
| <b>SUB-TOTAL</b>   |  | R     |
| ADD VAT @ 15%      |  | R     |
| <b>TOTAL PRICE</b> |  | R     |

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating 0, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: .....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>) :.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity Numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? ..... **YES / NO**

3.8.1 If yes, furnish particulars.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

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

<sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?. **YES / NO**

3.11.1 If yes, furnish particulars

.....  
.....

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

**YES / NO**

3.12.1 If yes, furnish particulars.

.....  
.....

3.13 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? ..... **YES / NO**

3.13.1 If yes, furnish particulars.

.....  
.....

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

**YES / NO**

3.14.1 If yes, furnish particulars:

.....  
.....

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

| Full Name | Identity Number | State Employee Number |
|-----------|-----------------|-----------------------|
|           |                 |                       |
|           |                 |                       |
|           |                 |                       |
|           |                 |                       |
|           |                 |                       |
|           |                 |                       |

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

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

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

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

**1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 The applicable preference point system for this tender is the **80/20** preference point system.
- 1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:
- (a) Price; and
  - (b) Specific Goals.
- 1.4 The maximum points for this tender are allocated as follows:

|  | POINTS     |
|--|------------|
| <b>PRICE</b>                                     | 80         |
| <b>SPECIFIC GOALS</b>                            | 20         |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 Ehlanzeni District Municipality reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by Ehlanzeni District Municipality.

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

**80/20**                      **or**                      **90/10**

$$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

**80/20**                      **or**                      **90/10**

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

**(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.**

**Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

| The specific goals allocated points in terms of this tender   | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|---|---|---|---|
| 100% black person or people owned enterprise  | N/A   | 5,000   | N/A   |   |
| More than 30% woman or women shareholding or owned enterprise   | N/A   | 2,00  | N/A   |   |
| more than 30% youth shareholding or owned enterprise  | N/A   | 2,00  | N/A   |   |
| More than 30% people living with disability shareholding or owned enterprise                          | N/A   | 2,00  | N/A   |   |
| More than 30% military veteran's shareholding or owned enterprise                                     | N/A   | 2,00  | N/A   |   |
| Enterprises regarded as *EMEs located within the Ehlanzeni District Municipality area of jurisdiction | N/A   | 2,00  | N/A   |   |
| B-BBEE level 1 contribution   | N/A   | 5,00  | N/A   |   |

## DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

| Item  | Question   | Yes                             | No                             |
|-------|--|---------------------------------|--------------------------------|
| 4.1   | Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector?<br><b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>   | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.1.1 | If so, furnish particulars:  |                                 |                                |
| 4.2   | Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?<br><br><b>(To access this Register enter the National Treasury’s website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</b> | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.2.1 | If so, furnish particulars:  |                                 |                                |
| 4.3   | Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?   | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.3.1 | If so, furnish particulars:  |                                 |                                |

| Item  | Question   | Yes                             | No                             |
|-------|--|---------------------------------|--------------------------------|
| 4.4   | Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months? | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.4.1 | If so, furnish particulars:  |                                 |                                |
| 4.5   | Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?                         | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 4.7.1 | If so, furnish particulars:  |                                 |                                |

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_ (Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_ (Name of Institution)

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

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

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;\*
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

**<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**AUTHORITY TO SIGN A BID**

**1. COMPANIES AND CLOSE CORPORATIONS**

- a. **If a Bidder is a COMPANY, a certified copy of the resolution by the board of directors**, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company **must be submitted with this bid**, that is, before the closing time and date of the bid
  
- b. In the case of a **CLOSE CORPORATION (CC)** submitting a bid, **a resolution by its members**, authorizing a member or other official of the corporation to sign the documents on their behalf, **shall be included with the bid.**

**PARTICULARS OF RESOLUTION BY BOARD OF DIRECTORS OF THE COMPANY / MEMBERS OF THE CC**

|  |  |                   |           |
|--|--|-------------------|-----------|
| <b>Date Resolution was taken</b>                             |  |                   |           |
| <b>Resolution signed by (name and surname)</b>               |  |                   |           |
| <b>Capacity</b>  |  |                   |           |
| <b>Name and surname of delegated Authorized Signatory</b>    |  |                   |           |
| <b>Capacity</b>  |  |                   |           |
| <b>Specimen Signature</b>                                    |  |                   |           |
| <b>Full name and surname of ALL Director(s) / Member (s)</b> |  |                   |           |
|  |  |                   |           |
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|  |  |                   |           |
|  |  |                   |           |
| <b>Is a CERTIFIED COPY of the resolution attached?</b>       |  | <b>YES</b>        | <b>NO</b> |
|  |  |                   |           |
| <b>SIGNED ON BEHALF OF COMPANY / CC:</b>                     |  | <b>DATE:</b>      |           |
| <b>PRINT NAME:</b>   |  |                   |           |
| <b>WITNESS 1:</b>  |  | <b>WITNESS 2:</b> |           |

**2. SOLE PROPRIETOR (SINGLE OWNER BUSINESS)**

I, \_\_\_\_\_, the undersigned, hereby confirm  
 that I am the sole owner of the business trading as \_\_\_\_\_

**3. PARTNERSHIP**

We, the undersigned partners in the business trading as \_\_\_\_\_

hereby authorize Mr/Ms \_\_\_\_\_ to sign this bid as well as any contract  
 resulting from the bid and any other documents and correspondence in connection with this bid and /or  
 contract for and on behalf of the abovementioned partnership.

The following particulars in respect of every partner must be furnished and signed by every  
 partner:

| Full name of partner | Signature |
|----------------------|-----------|
|                      |           |
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|                                     |  |            |  |
|-------------------------------------|--|------------|--|
| SIGNED ON BEHALF OF<br>PARTNERSHIP: |  | DATE:      |  |
| PRINT NAME:                         |  |            |  |
| WITNESS 1:                          |  | WITNESS 2: |  |

**CERTIFICATE OF AUTHORITY FOR JOINT VENTURES**

**This returnable schedule is to be completed by JOINT VENTURES**

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms \_\_\_\_\_  
 \_\_\_\_\_ authorized signatory of the Company/Close Corporation/Partnership  
 (name) \_\_\_\_\_, acting in the capacity of lead  
 partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

|  |  |                    |  |
|--|--|--------------------|--|
| <b>1. Name of firm</b><br>(Lead partner) |  |                    |  |
| <b>Address</b>                           |  |                    |  |
|  |  | <b>Tel. No.</b>    |  |
| <b>Signature</b>                         |  | <b>Designation</b> |  |

|                        |  |                    |  |
|------------------------|--|--------------------|--|
| <b>2. Name of firm</b> |  |                    |  |
| <b>Address</b>         |  |                    |  |
|                        |  | <b>Tel. No.</b>    |  |
| <b>Signature</b>       |  | <b>Designation</b> |  |

|                        |  |                    |  |
|------------------------|--|--------------------|--|
| <b>3. Name of firm</b> |  |                    |  |
| <b>Address:</b>        |  |                    |  |
|                        |  | <b>Tel. No.</b>    |  |
| <b>Signature</b>       |  | <b>Designation</b> |  |

|                        |  |                    |  |
|------------------------|--|--------------------|--|
| <b>4. Name of firm</b> |  |                    |  |
| <b>Address</b>         |  |                    |  |
|                        |  | <b>Tel. No.</b>    |  |
| <b>Signature</b>       |  | <b>Designation</b> |  |

**NOTE: A copy of the Joint Venture Agreement showing clearly the percentage contribution of each partner to the Joint Venture,**

**TAX CLEARANCE REQUIREMENTS****IT IS A CONDITION OF BIDDING THAT -**

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. The attached form "Application for Tax Clearance Certificate (in respect of bidders)", must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.
2. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver's Office.

**APPLICATION FOR TAX CLEARANCE CERTIFICATE  
(IN RESPECT OF BIDDERS)**

1. Name of taxpayer / bidder: .....

2. Trade name: .....

3. Identification number: 

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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4. Company / Close Corporation registration number: 

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5. Income tax reference number: 

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6. VAT registration number (if applicable): 

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7. PAYE employer's registration number (if applicable): 

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Signature of contact person requiring Tax Clearance Certificate: .....

Name: .....

Telephone number: Code:..... Number: .....

Address: .....

.....

.....

DATE: 2025 / \_\_\_\_ / \_\_\_\_

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

**GENERAL CONDITIONS OF CONTRACT****NOTES**

The purpose of this document is to:

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

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

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

**TABLE OF CLAUSES**

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

## 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 anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
  - 1.14 "GCC" means the General Conditions of Contract.
  - 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

#### **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, 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.

## **5. 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 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 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 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, insufficient 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 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 fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

## **17. Prices**

- 17.1 Prices charged by the supplier for goods delivered and services performed under the

contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

#### **18. Contract amendments**

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

#### **19. Assignment**

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

#### **20. Subcontracts**

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

#### **21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

## **24. Anti-dumping and countervailing duties and rights**

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

## **25. Force Majeure**

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

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

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

## **28. Limitation of liability**

28.1 Except in cases of criminal negligence or wilful 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.