



**BID NO: NGB 001 (2022/2023)**

# **REQUEST FOR PROPOSAL**

**APPOINTMENT OF A SERVICE PROVIDER(S) TO  
RENDER TRAVEL MANAGEMENT SERVICES FOR A  
PERIOD OF THREE (03) YEARS**

12 June 2022

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## 1. PART A: INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF THREE (03) YEARS**

1.1 **Description of services:** Suitable and qualified service providers are hereby invited to submit proposals and quotations for the provision of travel management services for a period of three (03) years. This bid seeks to conclude a contract with a travel agency capable of providing the services and handling arrangements, which include flight, accommodation, shuttle, vehicle hire and venue booking arrangements for the National Gambling Board (the NGB) staff and representatives. Bidders must prepare detailed proposals and quotations based on the specifications outlined in Part B, as well as within the guidelines provided in the Evaluation Criteria (Part C).

### 1.2 Pertinent Bid Information:

1.2.1 <b>Bid number</b>	Bid No: NGB 001 (2022/2023)
1.2.2 <b>Closing time</b>	11H00 Central African Time (CAT)
1.2.3 <b>Closing date</b>	05 July 2022
1.2.4 <b>Compulsory briefing session</b>	No briefing session
1.2.5 <b>Description</b>	Appointment of a service provider(s) to render travel management services for a period of three (03) years
1.2.6 <b>Bid validity period</b>	Offers must be valid for one hundred and eighty (180) days from the closing date of the tender
1.2.7 <b>Contract duration</b>	Three (3) years

1.3 The successful bidder will be required to enter into a written Service Level Agreement (SLA) with the NGB. The SLA will be drawn up by the NGB.

1.4 The project shall commence after appointment of the preferred service provider is confirmed, on a date determined by the NGB and as stipulated in the SLA to be concluded.

1.5 Bid proposals must be submitted to: The National Gambling Board, 420 Witch-Hazel Avenue, Eco-Glades 2, Block C, Eco-Park, Centurion, 0144.

1.6 Only bids submitted directly to the NGB on / before the closing date as indicated above shall be accepted (no faxes or emailed bids will be accepted).

1.7 Bidders should ensure that bids are delivered before the closing date and time and to the correct address. If the bid is late, it will not be accepted for consideration.

- 1.8 COVID-19 protocols **must** be observed when submitting a bid. Bidders must arrive early to cater for adherence to these protocols.
- 1.9 Bids must be delivered between 08H30 and 16H00 (CAT), Mondays to Fridays, prior to the closing date, and between 08H30 and 11H00 (CAT) on the closing date.
- 1.10 **A two envelope system** will apply. Therefore, technical and financial proposals must be submitted in separate, sealed envelopes clearly marked “Technical Proposal” and “Financial Proposal” at the same time.
- 1.11 Bids will be **evaluated** in accordance with the **80/20 preference point system** contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000).
- 1.12 Technical proposals will be opened at **11H15 (CAT)** on the **05 July 2022**.
- 1.13 Financial Proposals will be opened only after the technical proposals have been evaluated and only with respect to the proposals that achieve the minimum qualifying score for functionality. Subsequent to this, a list of all bidders, along with their Bid Prices only for those bids that were opened as these bids would have passed the technical evaluation stage, will be published on the NGB’s website and the National Treasury E-Tender Portal (if available).
- 1.14 All bids must be submitted on the NGB official forms.
- 1.15 This bid is subject to the General Conditions of Contract (GCC), as well as Special Conditions of Contract (SCC).
- 1.16 There will be no briefing session held. The **deadline** for queries is **24 June 2022 at 16H00**.
- 1.17 Bids that do not comply with the mandatory aspects of this document shall not be considered for evaluation.
- 1.18 Bids submitted that do not comply with the following will be considered non-responsive, and **will not be considered for evaluation**:
  - 1.18.1 A bid that is not in the format prescribed.
  - 1.18.2 A bid without some or all of the required documents.
  - 1.18.3 Pricing schedules not in the required format.
  - 1.18.4 Bid proposals that do not include a company resolution authorising a particular person to sign bid documents. Failure to provide such proof of authority to sign the bidder’s proposal will render the bid materially incomplete and thus non-responsive.
  - 1.18.5 Bids that do not provide proof of the bidder’s membership to a professionally recognized travel association(s) / body(s).

- 1.18.6 Proposals that are not submitted in 2 separate, clearly marked/labelled and sealed envelopes/packages as indicated under PART C of this Request for Proposal (RFP).
- 1.19 Furthermore, any alterations, changes, supplements to the tender document will be published on [www.ngb.org.za](http://www.ngb.org.za).
- 1.20 **Confidentiality:** The bid and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. All bidders are bound by a confidentiality agreement preventing the unauthorised disclosure of any information regarding the NGB or of its activities to any other organisation or individual. Bidders may not disclose any information, documentation or products to other clients without written approval of the Accounting Authority or a delegated official.
- 1.21 **Intellectual Property, Inventions and Copyright:** Copyright of all documentation relating to this assignment belongs to the NGB. The successful bidders may not disclose any information, documentation or products to other clients without the written approval of the Accounting Authority or the person delegated. All the intellectual property rights arising from the execution of this Agreement remain with the NGB which shall be entitled to cede and assign such to the Department of Trade, Industry and Competition (**the dtic**) and the service provider undertakes to honour such intellectual property rights and all future rights by keeping the know-how and all published and unpublished material confidential. In the event that the service provider would like to use any information or data generated in terms of the services rendered, prior written permission must be obtained from the NGB. The NGB shall own all material produced by the service provider during the course of or as part of rendering the services.
- 1.22 Neither the bidder, nor any of the members of the specification, evaluation and adjudication committee and/or the opening team, shall have any existing or potential conflict of interest during the course of undertaking the tendered project.
- 1.23 Any conflict of interest which can or have the potential to harm the integrity of the evaluation shall be explicitly disclosed by the bidder, providing detailed information on the scope and factors of such association with any or either object of the evaluation or any person involved in the intervention. In such cases the bidder must elaborate on how this conflict of interest would be handled by the bidder.
- 1.24 Based on the information provided by the bidder, the evaluation committee will make a recommendation regarding the bidder's conflict of interest to the Bid Adjudication Committee (BAC) and the Accounting Authority for a final decision.
- 1.25 Any queries regarding the bidding process and technical information may be directed to:

**Name:** Procurement Practitioner

**Email:** [scm@ngb.org.za](mailto:scm@ngb.org.za)

1.26 The closing date and time for **written queries** is **24 June 2022 at 16H00**. Only written queries will be considered and responded to.

## **2. PART B: TERMS OF REFERENCE**

### **2.1 INTRODUCTION AND MANDATE**

2.1.1 The NGB (National Gambling Board) was established in terms of the National Gambling Act (NGA), 2004 (Act 7 of 2004). It is the NGB's purpose to make provision for the regulation and co-ordination of certain matters relating to casinos, racing, betting and wagering. The NGB is also responsible for the regulation of bingo in South Africa. The NGB is authorised to, amongst others, advise the Minister of Trade, Industry and Competition (**the dtic**) on policy issues that might impact on the current and future regulation of gambling as it pertains to casino, betting on horse racing and sport, limited pay-out machines (LPM) and bingo.

### **2.2 OVERALL OBJECTIVE**

2.2.1 The objective of this RFP is to conclude a contract with a travel agency capable of providing travel management services and handling arrangements, which include flight, accommodation, shuttle, vehicle hire and venue booking arrangements, for both the NGB staff and representatives.

### **2.3 CONTRACT PERIOD**

2.3.1 The NGB will enter into a three (3) year contract with the Travel Management Company (TMC).

### **2.4 CONDUCT OF THE WORK**

2.4.1 The conduct of the work will be performed at the successful bidder's premises and it is expected for the appointed TMC to work under the guidance of the Chief Financial Officer (CFO) or Senior Manager: Finance.

### **2.5 SCOPE OF PROJECT**

2.5.1 The travel requirements of the NGB include domestic and international air travel, land transport, and accommodation. The NGB may at short notice require that travel arrangements be made from time to time. International flights and land arrangements represent a smaller quantity per year compared to the domestic arrangements and this may vary each year subject to the needs and objectives of the NGB.

2.5.2 The appointed TMC will be required to provide an all-inclusive travel arrangement service to the NGB. Each requirement must be handled in such a

manner that the most cost effective options are confirmed to satisfy the minimum requirements of the NGB.

2.5.3 The NGB reserves the right to approach alternative service providers if the appointed TMC cannot deliver on specific requests.

2.5.4 **The NGB also reserves the right to appoint more than one contractor if deemed necessary and if in the interest of the NGB. The first three (3) highest point scoring bidders will be appointed and utilised on a rotational basis; should the bid process yield three (3) or more responsive bids in the third phase of evaluation (awarding of points for price and BBEE).**

2.5.5 Overall Requirement: the NGB's requirement for domestic and international travel in line with the policy covers the following amongst other issues:

a) Air travel

- Plan, arrange, amend bookings as requested, confirm bookings and execute payment by pre-agreed means of all air travel bookings;
- Negotiate discounts and the most cost effective air travel options with all available airlines which meet the minimum standard on behalf of the NGB and report efforts made on this periodically; and
- Negotiate discounts (rands or credits) on accumulated expenditure for air travel with all available airlines on behalf of the NGB and report efforts made on this to the NGB for executive decisions as appropriate.

b) Vehicle Rental

- Arrange, amend bookings as requested and confirm bookings for all vehicle rentals and/or shuttles bookings to satisfy the NGB's minimum requirements and execute payment; and
- Negotiate discounts/vouchers with all available vehicle rental and/or shuttle service providers on behalf of the NGB and report efforts made on this periodically.

c) Accommodation

- Arrange, amend bookings as requested and confirm bookings for all accommodation needs to satisfy the NGB's minimum requirements and execute payment;
- Negotiate discounts/vouchers with all major hotel groups or lodges that meet the standard requirements on behalf of the NGB and report efforts made on this periodically. The domestic accommodation costs must not exceed the maximum allowable rates referred to in the Domestic Accommodation rate grid set out in the National Treasury cost containment directives; and



- Ensure the quality of accommodation selected meets minimum functional acceptable and corporate standards.

2.5.6 Support Services: the NGB has the following requirements that must be met by the appointed TMC:

- a) All air travel tickets, accommodation vouchers, vehicle and shuttle booking confirmations will be timeously delivered/e-mailed to the NGB through the relevant staff. Only in exceptional cases and where prior agreement is in place with the NGB, may travel arrangements be requested/collected or received by any other person not directly employed by the NGB.
- b) The TMC must allocate a sufficient number of staff to manage this account which includes consultants, administrative and payment personnel as well as overall management.
- c) The NGB requires a 24-hour service where emergencies occur and where the direct involvement of the TMC is necessary to resolve any issues concerning air travel, vehicle rental/shuttle service and accommodation arrangements. A contactable mobile number (or numbers) should be provided for this purpose.
- d) Once the bid has been awarded, the NGB will provide the relevant policies, information and budget that must be adhered to and which will stipulate the minimum requirements and standards pertaining to the expected service delivery.
- e) Provide a comprehensive travel service and shall avoid a situation where parts of the requirements of the NGB should be fulfilled by a sub-contractor of the TMC where the NGB will be liable for additional/extra service/management fees.
- f) Take overall responsibility to confirm all bookings, air travel, shuttle services, vehicle rentals, accommodation bookings, etc. and ensure that payment has been made and that confirmation thereof is communicated to the NGB timeously prior to the date of any such booking.
- g) Communicate emergency/short notice changes with regards to flights, accommodation, land transportation, etc. effectively and as soon as possible to avoid the NGB travellers being stranded without being informed of the relevant changes in advance.
- h) Provide a dedicated contact person(s) for the NGB arrangements.
- i) Ensure correct referencing of transactions to reconcile it with the NGB's travel authorizations reference numbers.

2.5.7 Reports: The following is required with respect to reports for submission to the NGB:

- a) Financial reports detailing all expenses incurred per month for all transactions processed. The reports shall be provided to the NGB monthly in the first week of each month for expenses incurred the previous month. These reports must be accompanied by all supporting documents (quotations etc.) received for the month being reported on.
- b) The report shall as a minimum include a detailed summary of all transactions processed, the number and details of change requests, all savings and credits accumulated per month.
- c) Advance notice on imminent tariff/discount adjustments which are in place must be declared and communicated to the NGB in writing and this should form part of the monthly report. The TMC will be responsible for ensuring continuous negotiations for lower tariffs or higher discounts.
- d) Benefits, discounts, refunds, etc. received from the service providers should be declared as part of the monthly report.
- e) Where benefits, discounts, refunds, etc. are earned by the TMC for the NGB's bookings; all such benefits, discounts, refunds should be declared and paid to the NGB.

### 3. PART C: PROCEDURAL REQUIREMENTS

#### 3.1 LEGAL REQUIREMENTS

3.1.1 In its procurement of goods and services, the NGB observes the Constitution of the Republic of South Africa, 1996, Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA), Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) (B-BBEE), Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) (PPPFA), Preferential Procurement Regulations of 2017 and all relevant statutory requirements.

#### 3.2 TENDER SUBMISSION

3.2.1 All prospective bidders **must** be registered on National Treasury's Central Supplier Database (CSD) prior to submission of bids.

3.2.2 COVID-19 protocols **must** be observed when submitting a bid. Bidders must arrive early to cater for adherence to these protocols.

3.2.3 Proposals **must** be submitted in 2 separate, clearly marked/labelled and sealed envelopes/packages as follows:

- **Envelope/Package 1 – Technical Proposal:** 1 original plus 5 copies of the original technical proposal and 1 CD containing the technical proposal must be submitted to the NGB.
- **Envelope/Package 2 – Financial Proposal:** 1 original plus 5 copies of the original financial proposal and 1 CD containing the financial proposal must be submitted to the NGB.

3.2.4 Bidders **must** initial on each page, sign and date on the last page of the following documents:

- General Conditions of Contract;
- Special Conditions of Contract (RFP)

3.2.5 Prospective bidders **must not submit** the following documentation as this information will be verified through the CSD:

- 3.2.5.1 Business registration
- 3.2.5.2 Bank account holder information
- 3.2.5.3 In the service of the state status
- 3.2.5.4 Tax Compliance status (tax clearance certificate), **however**, your SARS Tax Pin **must** be submitted.
- 3.2.5.5 Identity Documents of Directors

### **3.3 BID EVALUATION, ADJUDICATION AND FINAL AWARD**

- 3.3.1 Bids will be **evaluated** in accordance with the **80/20 preference point system** contemplated in the PPPFA.
- 3.3.2 The **evaluation of the bids** will be **conducted in four (4) phases**, namely:
- 3.3.2.1 **Phase 1:** Pre-qualification Stage: Administrative and Substantive Responsiveness.
  - 3.3.2.2 **Phase 2:** Functional evaluation in accordance with the technical specifications
  - 3.3.2.3 **Phase 3:** Price and B-BBEE evaluation in accordance with the PPPFA
  - 3.3.2.4 **Phase 4:** Adjudication of bid and Final Award
- 3.3.3 The NGB will evaluate and compare only the Bids determined to be substantially responsive in Phase 1.
- 3.3.4 During Phase 2, the NGB will conduct a detailed evaluation of the Bids in order to determine whether the Bidders are qualified and if the functional aspects are substantially responsive to the requirements outlined in the RFP.
- 3.3.5 Bidders are required to quote a price and provide a breakdown of the price in the manner and detail called for in the pricing schedules, SBD 3.3, as well as, of Part B as per paragraph 2 of this RFP.
- 3.3.6 The NGB reserves the right to accept or reject any variation, deviation, or alternative offer.
- 3.3.7 Variations, deviations, and alternative offers and other factors, which are in excess of the requirements of the Bidding documents or otherwise result in unsolicited benefits for the NGB will not be taken into account in the Bid evaluation.
- 3.3.8 The **evaluation process** is broken down into four phases as follows:
- 3.3.8.1 **Phase 1: Pre-Qualification Stage: Administrative and Substantive Responsiveness**
    - a) During Phase 1 all bids will be evaluated to ensure compliance with minimum requirements.
    - b) Proposals submitted that do not comply with the following, will be considered non-responsive, and will not be considered for evaluation:
      - i. A Proposal that is not in the format prescribed.
      - ii. A Proposal without some or all of the required documents.

- iii. Pricing schedules not in the required format.
  - iv. Bid proposals that do not include a company resolution authorising a particular person to sign bid documents. Failure to provide such proof of authority to sign the bidder's proposal will render the bid materially incomplete and thus non-responsive.
  - v. Bids that do not provide proof of the bidder's membership to a professionally recognized travel association(s) / body(s). Bidders that do not attend the compulsory briefing session. Failure to sign the attendance register in the name of the institution submitting a response to the bid will result in the bid not being considered for further evaluation.
  - vi. Proposals that are not submitted in 2 separate, clearly marked/labelled and sealed envelopes/packages as follows:
    - **Envelope/Package 1 – Technical Proposal.**
    - **Envelope/Package 2 – Financial Proposal.**
- c) Bids that comply with the minimum requirements will be regarded as responsive and such bids will advance to Phase 2 of the evaluation process.
- d) Non-responsive bids will not advance to Phase 2 of the evaluation process.

### 3.3.8.2 **Phase 2: Functional Evaluation in Accordance with the Functional Requirements of the Bid**

- a) All bids that advance to Phase 2 will be evaluated by the NGB to determine compliance with the functional requirements of the bid.
- b) During Phase 2 all bids will be evaluated for functionality which will account for 100% of the functional evaluation criteria score.
- c) Under Technical Evaluation, bidders who score 70% or above will qualify for further consideration in Phase 3.
- d) Points will therefore not be awarded for their Price or B-BBEE credentials at this juncture in the process.
- e) The percentage scored for functionality shall be calculated as follows:
  - i. Each panel member shall award values (between 1 and 5) for each individual criterion on a score sheet. The value scored for each criterion shall be multiplied with the specified weighting for the relevant criterion to obtain the percentage

scored for the various criteria. These percentages should be added to obtain the total score.

- ii. The percentages of each panel member shall be added together and divided by the number of panel members to establish the average percentage obtained by each individual bidder for functionality.
- f) The NGB reserves the right, prior to conclusion of Phase 2 of evaluation, to call in bidders that receive a score for Technical evaluation of 70% and above, to make a presentation to the NGB.
- g) In such instances, the presentation will be scored using the same functional evaluation criteria that was utilised for the technical evaluation.
- h) The scores for presentations will then be calculated for each member as indicated above.
- i) Scores for technical evaluation and presentations will be allocated 50% and 50% respectively. Bidders must achieve a combined minimum score of 70% out of 100% on the functionality evaluation in order to advance to Phase 3.
- j) The preparation costs and all expenses associated with presentation will be for the bidders' own account.

#### **3.3.8.3 Phase 3: Awarding of Points for Price and Broad-Based Black Economic Empowerment**

- a) The bidders that have successfully progressed through to Phase 3 will be evaluated in accordance with the 80/20 preference point system contemplated in the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations of 2017.
- b) 80 points will be awarded for price while 20 points will be allocated for preference points for B-BBEE as prescribed in the Preferential Procurement Regulations.

#### **3.3.8.4 Phase 4: Adjudication and Final Award of Bid**

- a) The Bid Adjudication Committee will consider the recommendations of the evaluation committee and recommend the preferred bidder(s) for appointment by the Accounting Authority.

- b) The successful bidder(s) will usually be the service provider(s) scoring the highest number of points or it may be a lower scoring bid on justifiable grounds or no award at all.
- c) The NGB reserves the right to award the contract in whole or in parts to one or more than one service provider.

3.3.8.5 **Evaluation criteria:** All qualifying bids will be evaluated in accordance with the criteria as stipulated in the table below:

EVALUATION CRITERIA	Rating					Weight
	1	2	3	4	5	
The Bids will be evaluated on a scale of 1 – 5 in accordance with the criteria below. The rating will be as follows: 1 = Very poor, 2 = Poor, 3 = Good, 4 = Very good, 5 = Excellent						
<b>1. Functionality</b>						
<p><b><u>Company track record:</u></b></p> <p>A proven track record of the service provider substantiated by reference to letters from at least three (3) entities for which similar services have been provided for during the past five (5) years. The reference letters shall include the following information for each project undertaken:</p> <p>The reference letters shall include the following information for each project undertaken:</p> <ul style="list-style-type: none"> <li>I. Entity name;</li> <li>II. Contact name and telephone number;</li> <li>III. Date when service was rendered;</li> <li>IV. Description of service;</li> <li>V. Duration of project; and</li> <li>VI. Contract price.</li> </ul> <p>The reference letter <u>must</u> be on the <u>letterhead</u> of the entity providing the reference. NB: A list of references will <u>not</u> be accepted.</p> <p>If more than three (3) letters are provided; the first three (3) letters will be considered.</p>						<b>30</b>
<p><b><u>Team qualifications and general capabilities:</u></b></p> <p>Relevant technical training/qualification (Matric certificate, Travel and tourism, hospitality, Logistics Management,</p>						

EVALUATION CRITERIA	Rating					Weight
	1	2	3	4	5	
<p>Management Accounting and Auditing, Accounting and Finance) and experience of the proposed project team. CVs of the proposed project team must be included in the bid proposal and must indicate relevant qualifications, skills and experience in similar projects.</p> <p><u>Qualifications:</u></p> <p>i. Matric certificate with relevant subjects (travel and tourism, hospitality, Logistics Management, Management Accounting and Auditing, Accounting and Finance) = (1 point)</p> <p>ii. Certificate with relevant subjects (travel and tourism, hospitality, Logistics Management, Management Accounting and Auditing, Accounting and Finance) = (2 points)</p> <p>iii. Diploma with relevant subjects (travel and tourism, hospitality, Logistics Management, Management Accounting and Auditing, Accounting and Finance) = (3 points)</p> <p>iv. National Diploma or Degree with relevant subjects (travel and tourism, hospitality, Logistics Management, Management Accounting and Auditing, Accounting and Finance) = (4 points)</p> <p>v. Honours and above with relevant subjects (travel and tourism, hospitality, Logistics Management, Management Accounting and Auditing, Accounting and Finance) = (5 points)</p>						<b>10</b>
<p><u>Team Experience:</u></p> <p>i. Between one to two years' experience in related projects = (1 point)</p> <p>ii. Between three and four years' experience in related projects = (2 points)</p> <p>iii. Five years' experience in related projects = (3 points)</p>						<b>20</b>



EVALUATION CRITERIA	Rating					Weight
	1	2	3	4	5	
iv. Between five and seven years' experience in related projects = (4 points) v. More than seven years' experience in related projects = (5 points)  An overall average score for all team members will be calculated and considered.						
<b><u>Execution Plan:</u></b>  Bidders must provide a detailed project execution plan in response to all the NGB's requirements as outlined in PART B (the terms of reference) of the RFP under the following headings, relative to how the bidder will execute the project:  i. Air Travel Arrangements (Domestic and International); ii. Vehicle Rental; iii. Accommodation and Venue Hire; iv. Support Services; v. Reporting.  <u>Allocation of scores will be based on the quality of responses received:</u>  i. A project plan responding to one (1) of the headings above = (1 point) ii. A project plan responding to two (2) of the headings above = (2 points) iii. A project plan responding to three (3) of the headings above = (3 points) iv. A project plan responding to four (4) of the headings above = (4 points) v. A project plan responding to five (5) of the headings above = (5 points)						<b>40</b>
<b>TOTAL POINTS FOR FUNCTIONALITY</b>						<b>100</b>
<b>A threshold of 70% is applicable</b>						

## 4. PART D: SPECIAL CONDITIONS OF CONTRACT

### 4.1 GUIDELINES ON COMPLETION

- 4.1.1 Bidders must indicate compliance or non-compliance in a paragraph in each section. Indicate compliance with the relevant bid requirements by marking the YES box and non-compliance by marking the NO box.
- 4.1.2 If the contents of the paragraph only need to be noted, please mark the NOTED box.
- 4.1.3 The bidder must clearly state if a deviation from these requirements is offered and the reason therefore.
- 4.1.4 If an explanatory note is provided, the paragraph reference must be attached as an appendix to the bid submission.
- 4.1.5 Should bidders fail to indicate agreement/compliance or otherwise, the NGB will assume that the bidder is not in compliance or agreement with the statement(s) as specified in this bid.
- 4.1.6 Bids not completed in the required manner will be considered incomplete and thus rejected.

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
<b>1. GENERAL CONDITIONS OF CONTRACT</b>					
1.1	The General Conditions of Contract must be signed.				
<b>2. SPECIAL CONDITIONS</b>					
2.1	During the evaluation of the bids, additional information may be requested in writing from bidders. Replies to such requests must be submitted within two (2) working days or as otherwise indicated. Failure to comply may lead to your bid being disregarded.				
<b>3. BIDDERS RESPONSE</b>					
3.1	All bidders will be required to provide a response to the Bid and submit their organisation's complete profile.				
3.2	Bidders will be held to their bids submitted.				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
<b>4. USE AND PROCESSING OF PERSONAL INFORMATION</b>					
4.1	All bidders, including their personnel (as data subjects), hereby consent to the processing of personal information for the completion of the tender process and confirms that:				
4.1.1	the personal information is supplied voluntarily, without undue influence from any party and not under any duress;				
4.1.2	the personal information which is supplied herewith is mandatory for the purposes of this tender process and without such personal information, the NGB would not be able to evaluate the bid proposal;				
4.1.3	they are aware of the right to access personal information at any reasonable time for purposes of rectification thereof.				
<b>5. CONFIDENTIALITY</b>					
5.1	The bid and all related information shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid.				
5.2	All bidders are bound by a confidential agreement preventing the unauthorised disclosure of any information regarding the NGB or of its activities to any other organisation or individual. The bidders may not disclose any information, documentation or products to other clients without written approval of the accounting authority or the delegated official.				
<b>6. INTELLECTUAL PROPERTY, INVENTIONS AND COPYRIGHT</b>					
6.1	Copyright of all documentation relating to this assignment belongs to the NGB. The successful bidders may not disclose any information, documentation or products to other clients without the written approval of the accounting authority or the person delegated.				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
6.2	All the intellectual property rights arising from the execution of this Agreement remain with the NGB who shall be entitled to cede and assign such to the Department of Trade, Industry and Competition ( <b>the dtic</b> ) and the service provider undertakes to honour such intellectual property rights and all future rights by keeping the know-how and all published and unpublished material confidential.				
6.3	In the event that the service provider would like to use any information or data generated in terms of the services rendered, the prior written permission must be obtained from the NGB.				
6.4	The NGB shall own all material produced by the service provider during the course of or as part of rendering the services.				
6.5	Clause 6 shall survive termination of this Agreement.				
<b>7. COST STRUCTURE &amp; PROJECT PLAN</b>					
	The bid price shall be based on the actual cost of time spent and expenses incurred. In this regard, the following information shall be provided:				
7.1	The estimated time to be spent on the project, limited to 3 years.				
7.2	The hourly charge-out rates as set out in the "Guide on Hourly Fee Rates for Consultants" issued by the Department of Public Service and Administration (DPSA).				
7.3	The bid price for the project, inclusive of VAT.				
<b>8. PAYMENTS</b>					
8.1	No advance payments will be made in respect of this bid. Payments shall be made in terms of the deliverables as agreed upon and shall be made strictly in accordance with the prescripts of the PFMA (Public Finance Management Act, 1999. Act 1 of 1999).				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
8.2	The contractor shall from time to time, during the duration of the contract, invoice the NGB for the services rendered. No payment will be made to the contractor unless an invoice complying with section 20 of VAT Act, 1991 (Act 89 of 1991) has been submitted to the NGB.				
8.3	Payment shall be made into the bidder's bank account normally within 30 days of receipt of an acceptable, valid invoice. (Banking details must be submitted as soon as this bid is awarded).				
8.4	The contractor shall be responsible for accounting to the appropriate authorities for its Income Tax, VAT or other moneys required to be paid in terms of applicable law.				
8.5	Prices charged by the bidder for goods delivered or services rendered under the contract shall not vary from the prices quoted by the bidder, with the exception of any price adjustments relating to rate of exchange or other unforeseen or incidental services (valid proof must be submitted).				
<b>9. NON-COMPLIANCE WITH DELIVERY TERMS</b>					
9.1	The successful bidder must ensure that the work is confined to the scope as defined and agreed to. As soon as it becomes known to the contractor that they will not be able to deliver the goods/services within the delivery period and/or against the quoted price and/or as specified, the NGB must be given immediate written notice to this effect. The NGB reserves the right to implement remedies as provided by the law.				
<b>10. WARRANTS AND SECURITIES</b>					
	The bidder warrants that:				
10.1	It is able to conclude this Agreement to the satisfaction of the NGB subject to selection as the preferred bidder.				
10.2	Although the bidder will be entitled to provide services to persons other than the NGB, the bidder shall not without the prior written consent of				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	the NGB, be involved in any manner whatsoever, directly or indirectly, in any business or venture which competes or conflicts with the obligations of the contractor to provide the services.				
10.3	The successful bidder (company, directors or members and project team shall be subjected to a security screening/ vetting process conducted by the State Security Agency (SSA) or a service provider appointed by the NGB, if necessary.				
10.4	In the event the successful bidder sub contacts, the sub-contractor appointed to render services in respect to this bid may be subjected to the security screening / vetting process conducted by SSA or a service provider appointed by the NGB, if necessary.				
10.5	A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.				
10.6	A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.				
10.7	A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate tender.				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
10.8	<p>Tenderers are required to submit proof of B-BBEE Status Level of contributor. Proof includes original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their tenders or price quotations, to substantiate their B-BBEE rating claims.</p> <p>Tenderers who do not submit B-BBEE Status Level Verification Certificates or who are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but should not be disqualified from the tendering process. They will score points out of 90 or 80 for price only and zero (0) points out of 10 or 20 for B-BBEE.</p>				
<b>11. PARTIES NOT AFFECTED BY WAIVER OR BREACHES</b>					
11.1	The waiver (whether express or implied) by any Party of a condition of contract and/or any breach of the terms or conditions of this Agreement by the other Party shall not prejudice any remedy of the waiving party in respect of any continuing or other breach of the terms and conditions hereof.				
11.2	No favour, delay, relaxation or indulgence on the part of any Party in exercising any power or right conferred on such Party in terms of this Agreement shall operate as a waiver of such power or right nor shall any single or partial exercise of any such power or right under this Agreement.				
<b>12. RETENTION</b>					
12.1	Upon completion of the project and /or termination of the agreement, the successful bidder shall on demand hand over to the NGB all documentation, information, software, etc., without the right of retention.				
12.2	No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by the contracting				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.				
<b>13. COSTS</b>					
13.1	The bidder will bear all the costs associated with the preparation of the response and no costs or expenses incurred by the bidder will be borne by the NGB.				
<b>14. CANCELLATION OF BID</b>					
	The NGB may, prior to the award of the bid, have the right to cancel the bid if:				
14.1	Due to changed circumstances, there is no longer a need for the service; or				
14.2	Funds are no longer available to cover the part and/or total envisaged expenditure; or				
14.3	No acceptable bids are received.				
14.4	The NGB reserves the right to withdraw this bid, to amend the term or to postpone this work by email notice to all parties who have received this RFP document or via notice published on the NGB's website and/or the National Treasury's e-Tender Portal.				
<b>15. SUBMISSION OF BIDS</b>					
15.1	<p><b>Proposals must be submitted in 2 separate, clearly marked/labelled and sealed envelopes/package as follows:</b></p> <p><b><u>Envelope/Package 1 – Technical Proposal:</u></b> 1 original plus 5 copies of the original technical proposal and 1 CD containing the technical proposal must be submitted as indicated below; and</p> <p><b><u>I. Envelope/Package 2 – Financial Proposal:</u></b> 1 original plus 5 copies of the original financial proposal and 1 CD containing the financial proposal must be submitted as indicated below.</p> <p><b><u>Both Envelopes/Packages must be hand delivered to:</u></b> National Gambling Board</p>				



No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	420 Witch-Hazel Avenue Eco Glades 2 Block C Eco Park Centurion Pretoria <b>NB: Bidders are to indicate on the cover of each document whether it is the original or a copy.</b>				
15.2	Bids should be in 2 sealed envelopes/packages (as indicated in 14.1), marked with: - Financial OR Technical proposal, as applicable; - Bid number <b>NGB 001 (2022/2023)</b> ; - Bid name / description; and - The name and address of the bidder Closing date and time ( <b>05 July 2022 at 11H00 CAT</b> )				
<b>16. LATE BIDS</b>					
16.1	Late submissions will not be accepted. A submission will be considered late if it arrived only one second after 11H00 or any time thereafter. Bids that are submitted after the closing date and time will not be accepted under any circumstances. Bidders are therefore strongly advised to ensure that bids are hand-delivered to the NGB's reception and recorded on a bid register.				
<b>17. BRIEFING SESSION AND CLARIFICATIONS</b>					
17.1	There Will be no briefing session. The <b>deadline</b> for queries is <b>24 June 2022 at 16H00</b> .				
17.2	Any clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspect concerning this bid, is to be requested in writing to the <b>Procurement Practitioner</b> of the NGB. The bid number should be mentioned in all correspondence.				
<b>18. FORMAT OF BIDS</b>					

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
18.1	Bidders must complete all the necessary bid documents and undertakings required in this bid document. Bidders are advised that their proposals should be concise, written in plain English and simply presented. Proposals must be in the same order as indicated in 18.2 and 18.3 below.				
18.2	<b>Financial Proposal</b> – the following documents/information must be placed in an envelope / package marked “Financial Proposal”: i. Cost breakdown of the project ii. Total value of the project over the stated period iii. Completed SBD 3.3				
18.3	<b>Technical Proposal</b> - the following documents/information must be placed in an envelope marked “Technical Proposal”: i. Response to the Terms of Reference, ensuring that all the aspects of the Evaluation Criteria are clearly covered. Value-adds must be separately labelled as such; ii. Acknowledgement and response to the Evaluation Criteria and Special Conditions of Contract; iii. An organogram of the proposed key personnel that will be assigned to the project and their CV's; iv. Company profile; v. Completed SBD forms ( <b>excluding SBD 3.3</b> ) and General Conditions of Contract ( <b>the General and Special Conditions of Contract must be initialled on each page and signed fully and dated on the last page</b> );  <b>In summary the following information will be required under the technical proposal:</b> 1. Bidders response to Parts A, B, C, and D of the RFP; <u>and</u>  2. Bidders response to the RFP on the following aspects of Part E must only be included: a) SBD 1; b) SBD 4; c) SBD 6.1; and d) General Conditions of Contract.				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
<b>19. PRESENTATIONS</b>					
19.1	The NGB reserves the right to invite bidders for presentations before awarding the bid.				
19.2	Bidders will be given a minimum of 3 days' notification where presentation will be required.				
<b>20. NEGOTIATION</b>					
20.1	The NGB has the right to enter into negotiation with a prospective bidder regarding any terms and conditions, including price(s) of a proposed contract.				
20.2	Similarly, the NGB reserves the right not to select any of the prospective bidders submitting proposals.				
20.3	The NGB shall not be obliged to accept the lowest of any quotation, offer or proposal.				
20.4	Despite preferential procurement regulations 3(4), 4(4), 5(4), 6 (4) and 8 (8) that state that only the proposal with the highest number of points may be selected, a contract may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points.				
20.5	All bidders will be informed whether they have been successful or not. A contract will only be deemed to be concluded when reduced to writing in form of a service level agreement signed by the designated responsible persons of both parties.				
20.6	Documents submitted by bidders will not be returned.				
<b>21. DOMICILIUM</b>					
21.1	The NGB hereto choose domicilia citandi et executandi for all purposes of and in connection with the final contract as follows: National Gambling Board 420 Witch-Hazel Avenue Eco-Glades 2 Block C Eco-Park				

No.	Conditions	Confirmation			
		Yes	No	Noted	If no, indicate deviation
	Centurion, 0144				

**SIGNATURE OF BIDDER:**

**(Delegated official)**

## d) PART E: BIDDING DOCUMENTS (SBD FORMS)

The attached Standard Bidding Documents (SBD forms) form part of the bid documents and must all be completed or adhered to.

SBD 1

### PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	<b>NGB 001 (2022/2023)</b>	CLOSING DATE:	<b>05 July 2022</b>	CLOSING TIME:	<b>11H00 CAT</b>
DESCRIPTION	<b>Appointment of a service provider(s) to render travel management services for a period of three (03) years</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>The National Gambling Board</b>					
<b>420 Witch-hazel Avenue</b>					
<b>Eco Glades 2, Block C</b>					
<b>Eco Park</b>					
<b>Centurion</b>					
<b>0144</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>Procurement Practitioner</b>	CONTACT PERSON	<b>Procurement Practitioner</b>		
TELEPHONE NUMBER		TELEPHONE NUMBER			
FACSIMILE NUMBER	<b>N/A</b>	FACSIMILE NUMBER	<b>N/A</b>		
E-MAIL ADDRESS	<a href="mailto:scm@ngb.org.za"><b>scm@ngb.org.za</b></a>	E-MAIL ADDRESS	<a href="mailto:scm@ngb.org.za"><b>scm@ngb.org.za</b></a>		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	<b>MAAAxxxxx</b>

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
--	--	-------------------------------------	---

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]
---	--	--	---

**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  
 YES  NO

**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 BELOW.**

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

**(Proof of authority must be submitted e.g. company resolution)**

**PRICING SCHEDULE (Professional Services) SBD 3.3**

Appointment of a service provider(s) to render travel management services for a period of three (03) years

BID NUMBER: <b>NGB 001 (2022/2023)</b>	CLOSING DATE: <b>05 July 2022</b>
CLOSING TIME: <b>11H00 (CAT)</b>	

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.  
 BID PRICE IN RSA CURRENCY

\*\* (ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.

1.	<b>International</b>	<b>Fee per transaction Year 1</b>	<b>Fee per transaction Year 2</b>	<b>Fee per transaction Year 3</b>
	Air travel bookings			
	Accommodation booking			
	Vehicle rental booking			
	Shuttle service booking			
	Visa application processing			
	Passport application processing			
	24hrs service per incident request			
	Cancellation/no show			
	List any other fixed service fees per transactions			
	•			
	•			
	•			
	•			

1.	<b>Domestic</b>			
	Air travel bookings			
	Accommodation booking			
	Vehicle rental booking			
	Shuttle service booking			
	24hrs service per incident request			
	Cancellation/no show			
	Conference venue booking			
	List any other fixed service fees per transactions			



	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>			
--	--	--	--	--

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

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

\_\_\_\_\_

3. Estimated man-days for completion of project

\_\_\_\_\_

4. Are the rates quoted firm for the full period of contract?

\*YES/NO

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Any queries regarding bidding procedures and technical information may be directed to:

Name : Procurement Practitioner

Email : [scm@ngb.org.za](mailto:scm@ngb.org.za)

\_\_\_\_\_

## **BIDDER'S DISCLOSURE**

### **1. PURPOSE OF THE FORM**

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

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

### **2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of State institution</b>

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

---

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

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to

<sup>2</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.

combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....  
Signature Date

.....  
Position Name of bidder

# PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

## SBD 6.1

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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



**4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

**(Tick applicable box)**

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

**(Tick applicable box)**

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b> √	<b>QSE</b> √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of company/firm:.....

8.2 VAT \_\_\_\_\_ registration number:.....

8.3 Company \_\_\_\_\_ registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider



Other service providers, e.g. transporter, etc.  
[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

WITNESSES
1. ....
2. ....

..... SIGNATURE(S) OF BIDDERS(S)
DATE: .....
ADDRESS .....
.....
.....

**GENERAL CONDITIONS OF CONTRACT**

Refer to Annexure A

**THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

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

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

## **3. General**

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](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 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

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

## **6. Patent rights**

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



**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

**9. Packing**

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

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

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

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

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

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

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.



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