

CENTRAL KAROO DISTRICT MUNICIPALITY



DEPARTMENT: STRATEGIC SUPPORT SERVICES
IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM.
CKDM001 – 2020/2021
(3 - year contract)

ISSUED BY:

J Jonkers
Acting Municipal Manager
Central Karoo District Municipality

PREPARED BY:

A Gouws
Accountant: Supply Chain Management
Central Karoo District Municipality

CONTACT DETAILS

Tel: (023) 449 1000
Fax: (023) 415 1253
E-mail: manager@skdm.co.za

Name of Bidder:.....

Tendered Amount:

ADDRESS	63 Donkin Street, Beaufort West, 6970 (Opposite ABSA Bank)				
CLOSING DATE	08 September 2020	CLOSING TIME	12H00	CLOSING VENUE	63 Donkin Street (Opposite ABSA Bank)

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TENDER NUMBER: CKDM001 – 2020/2021

IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM.

The Central Karoo District Municipality is seeking proposals from experienced service providers to assist with the implementation of the performance management system for a period of 3 years.

A prerequisite of 60% exist for functionality in order to be further evaluated.

Bid documents can be obtained from Michael Kennedy / Alicia Lenders at Tel number 023-449 1024/1026. Queries relating the specifications must be addressed to Mrs Barbara Koopman manager@skdm.co.za or 023 449 1025/1031.

Documents will be available from **07 August 2020**. **A non-refundable deposit of R150, 00 is payable for each bid.**

The bid must be valid for a period of 60 (sixty) days after the closing date. The bid will be subject to Council's Supply Chain Management Policy, the Preferential Procurement Regulation, 2017. The 80/20 preferential points system will be applicable. Bidders must be registered on the Central Supplier Database.

Bids must be sealed and externally endorsed with the relevant tender number and description and placed in the Tender Box at the offices of the Central Karoo District Municipality (opposite ABSA bank), at 63 Donkin Street, Beaufort West not later than **12H00 on 08 September 2020**, when it will be opened in public at the offices of the Central Karoo District Municipality.

It is the responsibility of the tenderer to ensure that bids are placed in the tender box before the closing date and time.

Late, incomplete, faxed, emailed and/or unmarked bids will not be accepted. Bid may only be submitted on the bid documentation that is issued.

Council is not obliged to accept the lowest or any bid and reserves the right to accept any bid or part thereof.

J JONKERS
Acting Municipal Manager
Central Karoo District Municipality
63 Donkin Street/Private Bag X560
BEAUFORT WEST
6970

Section 1.2: TENDER CONDITIONS AND INFORMATION

1.2.1	General and Special Conditions of Contract
	The General Conditions of Contract (GCC) as well as Special Conditions of Contract (SCC) forming part of this set of tender documents will be applicable to this tender in addition to the conditions of tender. Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail.
1.2.2	Acceptance or Rejection of a Tender
	The Municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The Municipality does not bind itself to accepting the lowest tender or the tender scoring the highest points.
1.2.3	Validity Period
	Bids shall remain valid for ninety (90) days after the tender closure date.
1.2.4	Cost of Tender Documents
	Payment for tender documents, if specified, must be made to the CKDM. These costs are non-refundable.
1.2.5	Registration of Central Supplier Database
	It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register without delay on the proscribed form. The Municipality reserves the right not to award tenders to prospective suppliers who are not registered on the Database.
1.2.6	Completion of Tender Documents
	<ul style="list-style-type: none"> (a) The original tender document must be completed fully in black ink and signed by the authorised signatory to validate the tender. DECLARATION on the MBD 7.1 form must be completed and signed by the authorised signatory and returned. Failure to do so will result in the disqualification of the tender. (b) Tender documents may not be retyped. Retyped documents will result in the disqualification of the tender. (c) The complete original tender document must be returned. Missing pages will result in the disqualification of the tender. (d) No unauthorised alteration of this set of tender documents will be allowed. Any unauthorised alteration will disqualify the tender automatically. Any ambiguity has to be cleared with contact person for the tender before the tender closure. (e) The tender document as provided by the Municipality's Supply Chain Management Section will be the prevailing document in the event of an inconsistency between the completed submitted tender document by a bidder and the tender document provided by the Municipality.
1.2.7	Compulsory Documentation
1.2.7.1	Tax Clearance Certificate
	<ul style="list-style-type: none"> (a) A copy of a Tax Compliance Status Pin and a Tax Compliance Certificate, printed from the South African Revenue Service (SARS) website, must accompany the bid documents. The onus is on the bidder to ensure that their tax matters with SARS are in order. (b) In the case of a Consortium/Joint Venture every member must submit a separate Tax Compliance Status Pin and a Tax Compliance Certificate, printed from the SARS website,

	<p>with the bid documents.</p> <p>(c) If a bid is not supported by a Tax Compliance Status Pin and a Tax Compliance Certificate as an attachment to the bid documents, the Municipality reserves the right to obtain such documents after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.</p> <p>(d) The Tax Compliance Status Pin will be verified by the Municipality on the SARS website.</p>
1.2.8	Other Documentation
1.2.8.1	Construction Industry Development Board (CIDB) (if applicable)
	When applicable, the bidder's CIDB registration number must be included with the tender. The Municipality will verify the bidder's CIDB registration during the evaluation process.
1.2.8.2	Municipal Rates, Taxes and Charges
	<p>(a) A copy of the bidder's and those of its directors municipal accounts (for the Municipality where the bidder pays his account) for the month preceding the tender closure date must accompany the tender documents. If such a copy does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such documents after the closing date to verify that their municipal accounts are in order.</p> <p>(b) Must not be in arrears</p> <p>(c) If a bidder rents their premises, proof must be submitted that the rental includes their municipal rates and taxes or municipal charges and that their rent is not in arrears.</p>
1.2.9	Authorised Signatory
	<p>(a) A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.</p> <p>(b) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.</p> <p>(c) If such a copy of the Resolution does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such document after the closing date to verify that the signatory is in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.</p>
1.2.10	Site / Information Meetings
	<p>(a) Site or information meetings, if specified, are compulsory. Bids will not be accepted from bidders who have not attended compulsory site or information meetings. Bidders that arrive 15 minutes or more after the advertised time the meeting starts will not be allowed to attend the meeting or to sign the attendance register. If a bidder is delayed, he must inform the contact person before the meeting commence and will only be allowed to attend the meeting if the chairperson of the meeting as well as all the other bidders attending the meeting, give permission to do so.</p> <p>(b) All partners or the leading partner of a Joint Venture must attend the compulsory site or information meeting.</p>
1.2.11	Samples
	Samples, if requested, are to be provided to the Municipality with the tender document or as stipulated.
1.2.12	Quantities of Specific Items

	If tenders are called for a specific number of items, the Municipality reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the Municipality if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder. The process will be continued to the Municipality's satisfaction.
1.2.13	Submission of Tender
	<p>(a) The tender must be placed in a sealed envelope, or envelopes when the two-envelope system is specified, clearly marked with the tender number, title as well as closing date and time and:</p> <p>placed in the tender box at the offices of the Central Karoo District Municipality at 63 Donkin Street, Beaufort West, 6970 on or before the closing date and time as advertised.</p> <p>(b) Faxed, e-mailed and late tenders will not be accepted. Tenders may be delivered by hand, by courier, or posted at the bidder's risk and must be received by the deadline specified in the advertisement, irrespective of how they are sent or delivered.</p>
1.2.14	Expenses Incurred in Preparation of Tender
	The Central Karoo District Municipality shall not be liable for any expenses incurred in the preparation and submission of the tender.
1.2.15	Contact with Municipality after Tender Closure Date
	Bidders shall not contact the Central Karoo District Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the notice of the Central Karoo District Municipality, it should do so in writing to the Central Karoo District Municipality. Any effort by the firm to influence the Central Karoo District Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.
1.2.16	Opening, Recording and Publications of Tenders Received
	<p>(a) Tenders will be opened on the closing date immediately after the closing time specified in the tender documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.</p> <p>(b) Details of tenders received in time will be recorded in a register which is open to public inspection.</p> <p>(c) Faxed, e-mailed and late tenders will not be accepted.</p>
1.2.17	Evaluation of Tenders
	Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.
1.2.18	Procurement Policy
	Bids will be awarded in accordance with the Preferential Procurement Policy Framework Act and the Amended Preferential Procurement Policy Regulation, 2017, as well as Central Karoo District Municipality's Supply Chain Management Policy.
1.2.19	Contract

	(a) The successful bidder will be expected to sign the agreement on the MBD7.1 form of this bid document. The signing of both Parts of the MBD 7.1 form of this bid document signifies the conclusion of the contract. The Municipality, at its discretion, may request the signing of an additional Service Level Agreement which, together with the signed tender document, will constitute the full agreement between the Municipality and the successful bidder.
1.2.20	Subcontracting
	(a) The Contractor shall not subcontract the whole of the Contract. (b) Except where otherwise provided by the Contract, the Contractor shall not subcontract any part of the Contract without the prior written consent of the Municipality, which consent shall not be unreasonably withheld. (c) The contractual relationship between the Contractor and any subcontractors selected by the Contractor in consultation with the Municipality in accordance with the requirements of and a procedure contained within the Scope of Work, shall be the same as if the Contractor had appointed the subcontractor in terms of paragraph (b) above. (d) Any consent granted in accordance with paragraph (b) or appointment of a subcontractor in accordance with paragraph (c) shall not imply a contract between the Municipality and the subcontractor, or a responsibility or liability on the part of the Municipality to the subcontractor and shall not relieve the Contractor from any liability or obligation under the Contract and he shall be liable for the acts, defaults and neglects of any subcontractor, his agents or employees as fully as if they were the acts, defaults or neglects of the Contractor, his agents or employees. (e) The Contractor shall not be required to obtain such consent for – (i) the provision of labour, or (ii) the purchase of materials which are in accordance with the Contract, or (iii) the purchase or hire of Construction Equipment
1.2.21	Language of Contract
	The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.
1.2.22	Extension of Contract
	The contract with the successful bidder may be extended should additional funds become available.
1.2.23	Stamp and Other Duties
	The successful bidder will be liable for all duties and costs on legal documents resulting in the establishment of a contract and for the surety and retentions.
1.2.24	Wrong Information Furnished
	Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.
1.2.25	1.2.25 Past Practices

	<p>(a) The bid of any bidder may be rejected if that bidder or any of its directors have abused the municipality's supply chain management system or committed any improper conduct in relation to such system.</p> <p>(b) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors influenced or tried to influence any official or councilor with this or any past tender.</p> <p>(c) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors offered, promised or granted any official or any of his/her close family members, partners or associates any reward, gift, favour, hospitality or any other benefit in any improper way, with this or any past tender.</p>
1.2.26	Validity of BEE certificates:
	<p>(a) If the certificate was issued by a verification agency the following must be on the face of the certificate:</p> <p>SANAS logo, unique BVA number, must be an original certificate or a copy of the original, the name and physical location of the bidder, the registration number and, where applicable, the VAT number of the bidder, the date of issue and date of expiry of the certificate, the certificate number for identification and reference, the scorecard that was used (for example EME, QSE or Generic), the name and / or logo of the Verification Agency, the certificate must be signed by the authorized person from the Verification Agency and the B-BBEE Status Level of Contribution obtained by the bidder.</p> <p>(b) If certificate was issued by an Auditor/ Accounting Officers:</p> <p>The Accounting Officer's or Registered Auditor's letter head with full contact details, the Accounting Officer's or Registered Auditor's practice numbers, the name and the physical location of the bidder, the registration number and, where applicable, the VAT number of the bidder, the date of issue and date of expiry, the B-BBEE Status Level of Contribution obtained by the measured entity, the total black shareholding and total black female shareholding, the B-BBEE Status Level of Contribution obtained by the bidder and must be an original certificate or a copy of the original.</p> <p>(c) If the certificate was issued by registered auditors approved by IRBA</p> <p>Clearly identify the B-BBEE approved registered auditor by the auditor's individual registration number with IRBA and the auditor's logo, clearly record an approved B-BBEE Verification Certificate identification reference in the format required by the SASAE, reflect relevant information regarding the identity and location of the measured entity, identify the Codes of Good Practice or relevant Sector Codes applied in the determination of the scores, record the weighting points (scores) attained by the measured entity for each scorecard element, where applicable, and the measured entity's overall B-BBEE Status Level of Contribution, reflect that the B-BBEE Verification Certificate and accompanying assurance report issued to the measured entity is valid for 12 months from the date of issuance and reflect both the issuance and expiry date, and the B-BBEE Status Level of Contribution obtained by the bidder and must be an original certificate or a copy of the original.</p>

	<p>(d) A sworn affidavit prescribed by the B-BBEE Codes of Good Practice.</p> <p>FAILURE TO COMPLY WITH THE ABOVEMENTIONED WILL RESULT IN NO PREFERENCE POINTS BEING AWARDED</p>
1.2.27	Letter of Good Standing from the Commissioner of Compensation
	<p>(a) A valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, must accompany the bid documents.</p> <p>(b) In the case of a Consortium/Joint Venture every member must submit a separate valid Letter of Good Standing from the Compensation Commissioner or a copy thereof with the bid documents.</p> <p>(c) If a bid is not supported by a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, as an attachment to the bid documents, the Municipality reserves the right to obtain such document after the closing date. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.</p> <p>(d) If a bid is accompanied by proof of application for valid Letter of Good Standing from the Compensation Commissioner, the original or copy thereof must be submitted on/or before the final date of award.</p> <p>(e) Should a bidder's Letter of Good Standing form the Compensation Commissioner expires during the contract period, a valid certificate must be submitted within an agreed upon time.</p> <p>(f) The right is reserved to not award a tender if a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof is not submitted within the requested time.</p>
1.2.28	Negotiations
	<p>Should the tender prices be higher than the available funds of the client, the client reserves the right to negotiate with the successful bidder to limit the work in accordance with the tender specifications in order not to exceed the available budget.</p>
1.2.29	Enquiries
	<p>Enquiries in connection with this tender, prior to the tender closure date, may be addressed to Mrs Alicia Gouws at telephone (023 449 1000)</p>

1.3 SPECIAL CONDITIONS OF CONTRACT & SPECIFICATIONS

BESKRYWING / DESCRIPTION	HOEVEELHEID / QUANTITY
<p>1. SCOPE</p> <ul style="list-style-type: none"> • It is the intention of the Central Karoo District Municipality to appoint a service provider to assist with the implementation of the performance management system for a period of 36 months (three years). • The three year contract will ensure the success of the project and to provide the municipality with the necessary business continuity and building institutional knowledge and capacity. • The successful bidder is to provide the necessary electronic tools and support to assist with the management of municipal performance and related activities. • It is critical that the service provider to be appointed have extensive experience in all the items listed and must therefore be able to provide references / written confirmation of all such projects successfully undertaken in the past, for each of the items listed. Failure to provide sufficient evidence as well as contactable references will exclude bidders from earning point for functionality criteria as listed below. • Submit data in a format that will assist with the implementation and continuous compliance with the Municipal Standard Chart of Accounts (MSCOA) Regulations as prescribed by National Treasury. • The system must make use of a SSL certificate 256bit or better. • The system must comply with Windows Internet Explorer / Firefox (For use on most laptops and desktops) <p>YEAR 1</p> <ul style="list-style-type: none"> • Drafting of Top Layer and departmental SDBIP's, preparing for upload on the electronic web-based system and implementation. • Drafting of s57 performance agreements as well as performance plans for individuals at lower levels aligned with the SDBIP • Ensuring performance agreements complies with all legislative requirements. • Facilitate the performance reviews of the municipal manager and senior managers reporting to the municipal manager. • Provide hands on support for the final evaluations by attending the panel meetings, training and guiding the panel members calculating the results and submitting the report to the municipality for tabling to Council. • Make provision for assistance with the preparation of evaluation templates and assist with calculations during the mid-year evaluations. • Training of personnel on the web-based system to update the SDBIP monthly. • Skills transfer of personnel directly involved with the management of organisational and individual performance. • Assistance with implementation of the performance management policy. 	

1.1 PERFORMANCE AGREEMENTS FOR STAFF (LEVEL BELOW MIDDLE MANAGEMENT) EXCLUDING SENIOR MANAGEMENT

- Drafting of performance agreement for middle managers and the level below middle management.
- Ensure alignment with performance agreements of senior management.
- Training for middle management and level below middle management on the implementation of the performance management process.

YEAR 2

- Drafting of Top Layer and departmental SDBIP's, preparing for upload on the electronic web based system and implementation.
- Drafting of s57 performance agreements as well as performance plans for individuals at lower levels aligned with the SDBIP
- Training of personnel on the web-based system to update the SDBIP monthly.
- Skills transfer Skills transfer of personnel directly involved with the management of organisational and individual performance.
- Assistance with implementation of the performance management policy.

YEAR 3

- Drafting of Top Layer and departmental SDBIP's, preparing for upload on the electronic web based system and implementation.
- Drafting of s57 performance agreements as well as performance plans for individuals at lower levels aligned with the SDBIP
- Training of personnel on the web-based system to update the SDBIP monthly.
- Skills transfer Skills transfer of personnel directly involved with the management of organisational and individual performance.
- Assistance with implementation of the performance management policy.

2. SUPPORT AND RELATED MATTERS

- Ongoing support via a helpdesk and e-mail. Email responses within a 48-hour period.
- Data to be backed up on a weekly basis.
- Maintenance of updating modules to comply with legislative requirements.
- Hands-on support to implement performance management on senior management and individual staff as and when required.
- Training sessions to staff to effectively use the system.
- Ensuring adequate skills transfer to relevant municipal officials

3. EVALUATION

- Formal tenders will be evaluated and adjudicated in terms of 80/20 Preference Point System prescribed by the Preferential Procurement Policy Framework Act (Act 5 of 2017) and the municipality's Supply Chain Management Policy. The Bid Evaluation Committee will also look at the requirements as set out in the tender document.
- Bidders will be evaluated on a comparative basis, which is the reason for the design of the tender specifications and additional schedules (if applicable).
- All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying supply chain management regulations), the Preferential Policy Framework Act, Act 5 of 2017 (read with its accompanying regulations) as well as the Central Karoo District Municipality's SCM and Preferential Procurement Policies.
- Point will be awarded to bidders who are eligible for preferences in terms of MBD 6.1: Preference Point Claim Schedule (where preferences are granted in respect of B-BBBEE contribution).

4. DELIVERY

- Services will commence on a program to be determined by the parties once the tender has been awarded.
- System access must be available 7 days a week, 365 days a year.
- System downtime must not exceed 12 hours at a time.
- System issues to be resolved within 1 hour of call being logged.

5. FUNCTIONALITY CRITERIA

a. Stage 1: The bidder must score a minimum of **60%** during Stage 1 (functionality / technical) of the evaluation to qualify for Stage 2 of the evaluation where only points for price and B-BBEE will be considered.

b. The following criteria will be applicable when evaluating functionality:

0 = Non-compliance, 1 = Poor; 2 = Fair; 3 = Average; 4 = Good; 5 = Excellent.

Guidelines for Criteria	Maximum Points	Evaluating Functionality	Final Score														
A proposed project plan, methodology and management of the project in generating the project outputs.	30	<ul style="list-style-type: none"> A detailed project plan with final outputs timeframes / milestones (10 points) Proposed methodology (10 points) Management of the project (10 points) 															
Certified qualifications of key personnel to be assigned to the project	15	Relevant qualification in the area of performance management and implementation. <table border="1" data-bbox="619 1021 1182 1787"> <thead> <tr> <th>Qualifications of key personnel</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>A Masters qualification and above</td> <td>5</td> </tr> <tr> <td>An Honours or equivalent qualification (s)</td> <td>4</td> </tr> <tr> <td>A degree qualification (s)</td> <td>3</td> </tr> <tr> <td>A Three-year diploma qualification (s)</td> <td>2</td> </tr> <tr> <td>Two Years diploma or a certificate qualification (s)</td> <td>1</td> </tr> <tr> <td>No qualification (s) attached / submitted</td> <td>0</td> </tr> </tbody> </table>	Qualifications of key personnel	Indicator	A Masters qualification and above	5	An Honours or equivalent qualification (s)	4	A degree qualification (s)	3	A Three-year diploma qualification (s)	2	Two Years diploma or a certificate qualification (s)	1	No qualification (s) attached / submitted	0	
Qualifications of key personnel	Indicator																
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Two Years diploma or a certificate qualification (s)	1																
No qualification (s) attached / submitted	0																
Capability (profiles of key staff and persons to the project), 5 years' experience and knowledge in the	15	<ul style="list-style-type: none"> Bidder (s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project. Bidder (s) should submit curriculum vitae for 															

<p>performance management field. The company should have implemented and executed at least a minimum of 5 similar projects.</p>		<p>the key personnel proposed to be employed on the project.</p> <p>Areas of performance management and implementation.</p> <table border="1" data-bbox="624 315 1166 824"> <thead> <tr> <th data-bbox="624 315 1023 517">Experience of key personnel in areas of performance management.</th> <th data-bbox="1023 315 1166 517">Indicator</th> </tr> </thead> <tbody> <tr> <td data-bbox="624 517 1023 573">6 years' or more experience</td> <td data-bbox="1023 517 1166 573">5</td> </tr> <tr> <td data-bbox="624 573 1023 629">5-5 years' experience</td> <td data-bbox="1023 573 1166 629">4</td> </tr> <tr> <td data-bbox="624 629 1023 685">3-4 years' experience</td> <td data-bbox="1023 629 1166 685">3</td> </tr> <tr> <td data-bbox="624 685 1023 741">2-3 years' experience</td> <td data-bbox="1023 685 1166 741">2</td> </tr> <tr> <td data-bbox="624 741 1023 797">1-2 years' experience</td> <td data-bbox="1023 741 1166 797">1</td> </tr> <tr> <td data-bbox="624 797 1023 824">No experience</td> <td data-bbox="1023 797 1166 824">0</td> </tr> </tbody> </table>	Experience of key personnel in areas of performance management.	Indicator	6 years' or more experience	5	5-5 years' experience	4	3-4 years' experience	3	2-3 years' experience	2	1-2 years' experience	1	No experience	0	
Experience of key personnel in areas of performance management.	Indicator																
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5-5 years' experience	4																
3-4 years' experience	3																
2-3 years' experience	2																
1-2 years' experience	1																
No experience	0																
<p>The company's experience and track record in research as well as understanding of the performance management including a track record of previous, relevant projects and successes therein (Provide contact details of references)</p>	15	<ul style="list-style-type: none"> Bidder (s) are required to demonstrate relevant past experience and competency of the company areas of Areas of performance management and implementation. Bidder (s) should submit full details of, and at least three reliable contactable signed references for, projects of a similar scope which were successfully completed in the previous years. <table border="1" data-bbox="624 1339 1166 1998"> <thead> <tr> <th data-bbox="624 1339 991 1693">Company experience areas of environmental management, (waste management in particular), chemistry, environmental law, environmental economics or environmental engineering.</th> <th data-bbox="991 1339 1166 1693">Indicator</th> </tr> </thead> <tbody> <tr> <td data-bbox="624 1693 991 1749">10 years' or more experience</td> <td data-bbox="991 1693 1166 1749">5</td> </tr> <tr> <td data-bbox="624 1749 991 1805">8-9 years' experience</td> <td data-bbox="991 1749 1166 1805">4</td> </tr> <tr> <td data-bbox="624 1805 991 1861">5-7 years' experience</td> <td data-bbox="991 1805 1166 1861">3</td> </tr> <tr> <td data-bbox="624 1861 991 1917">3-4 years' experience</td> <td data-bbox="991 1861 1166 1917">2</td> </tr> <tr> <td data-bbox="624 1917 991 1973">1-2 years' experience</td> <td data-bbox="991 1917 1166 1973">1</td> </tr> <tr> <td data-bbox="624 1973 991 1998">No experience</td> <td data-bbox="991 1973 1166 1998">0</td> </tr> </tbody> </table>	Company experience areas of environmental management, (waste management in particular), chemistry, environmental law, environmental economics or environmental engineering.	Indicator	10 years' or more experience	5	8-9 years' experience	4	5-7 years' experience	3	3-4 years' experience	2	1-2 years' experience	1	No experience	0	
Company experience areas of environmental management, (waste management in particular), chemistry, environmental law, environmental economics or environmental engineering.	Indicator																
10 years' or more experience	5																
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3-4 years' experience	2																
1-2 years' experience	1																
No experience	0																
Total points on functionality		75															

SECTION 2

PRICING

- Programme and hardware required / initial set-up cost
- Submit a full list with breakdown of cost on all hardware required on separate document
- Fixed capital cost
- Must be tendered as a fixed price from the point of receipt of all the relevant data sources from the municipality during the first year of appointment.

2.1 PRICING SCHEDULE

The table below indicates how the tariffs or rates for the different functions should be outlined. The municipality reserves the right to call upon the bidder for any of the functions below and the estimated time spent on the project must be agreed upon between the parties in writing.

Systems and Hardware required: -

The tender prices as follows (inclusive of VAT)

<ul style="list-style-type: none"> - Programme and hardware required / initial set-up cost - Submit a full list with breakdown of cost on all hardware required on separate document - Fixed capital cost - Must be tendered as a fixed price from the point of receipt of all the relevant data sources from the municipality during the first year of appointment. 	
Electronic Management System to manage the SDBIP	
Are we going to get the module for Individual performance for senior management and other staff as well?	

Management of other fees: -

The tender prices as follows (inclusive of VAT)

Activity	Quantity	Monthly User Fee	Fixed Fee per activity	Other (Specify)
Drafting of SDBIP	Fixed Price per annum			
Loading of SDBIP	Fixed Price per annum			
Mid-Year amendments to the SDBIP	Fixed Price per annum			
Loading Amendments to the SDBIP	Fixed Price per annum			
Drafting Performance Agreements of Senior Management	Three(3) agreements required			
Assisting with the performance evaluations of Senior Management	Three (3) evaluations			

Assist in the drafting of performance agreements excluding senior management	Per each agreement as required			
Assists in the performance review of all staff, excluding senior management	Per each evaluation as required			
Drafting of Top Layer SDBIP KPI systems descriptions				
SDBIP User description fee	Per user			
Individual Performance Management Fee	Fixed price per annum			
Training and Facilitation				
Disbursements specify and give details and what it entails				

SECTION 3

CHECKLIST

COMPULSARY DOCUMENTATION / CHECKLIST TO TENDER DOCUMENT

Please ensure that the following forms have been duly completed, signed and that all documents as requested, are attached to the tender document. (Failure to submit this documentation will result in the tender being non-responsive). (To be completed and signed by the bidder)

Nr	Description	YES	NO
1	Valid Tax Clearance Certificate / Pin		
2	Valid original OR valid originally certified copy of B-BBEE certificate or sworn affidavit as per legislation		
3	Valid letter OR valid copy of Letter of good standing form the Compensation Commissioner		
4	Copy of the latest (month prior to tender closure) Municipal Accounts of the following:		
	- Business		
	- All directors/members/Owners of the business		
	OR		
	Copy of the Lease Agreement or Rental Statement of the following:		
	- Business		
	- All directors/members/Owners of the business		
5	Proof of company Registration (CIPRO)		
6	Copy of CIDB registration (if applicable)	N/A	N/A
7	Company Details: Is this form duly completed and signed		
	Authority for signatory form duly completed and signed		
	MBD 4: Is this form duly completed and signed		
	MBD 6.1: Is this form duly completed and signed		
	MBD 8: Is this form duly completed and signed		
	MBD 9: Is this form duly completed and signed		
	MBD 7.1: Is this form duly completed and signed		
	MBD6.2: (Declaration of Local Production and Content (if applicable)	N/A	N/A
	All supporting Documents as requested on pages 13-14 with reference to "Functionality Criteria"		

COMPANY'S DETAILS

the following details schedule must be completed to ensure that the prerequisite requirements to tendering are met.

Registered Company Name:			
Central Supplier Database Number (MAAA number)			
Contact Person:			
Cell phone number:		Office Number	
Fax number:		e-mail address	
Company Physical Address:			
Company Postal Address:			
Company Registration Number:			
VAT Number: (if registered)			
Bank Name and Branch:			
Bank Account Number:			
Name of Account Holder:			

Name of Bidder :			
Position:			
Signature :		Date :	

AUTHORITY FOR SIGNATORY

Details of person responsible for Tender process

Name

Contact number (.....)

Address of office submitting the Tender

Telephone no (.....)

Fax no (.....)

E-mail address

Signatories for close corporations and companies shall confirm their authority by attaching to this form a **duly signed and dated original or certified copy** of the relevant resolution of their members or their board of directors, as the case may be.

"By resolution of the board of directors passed on (date)

Mr.

has been duly authorized to sign all documents in connection with the Tender for Contract Numberand any Contract which may arise there from on behalf of

(BLOCK CAPITALS)

SIGNED ON BEHALF OF THE COMPANY

IN HIS CAPACITY AS

DATE

FULL NAMES OF SIGNATORY

AS WITNESSES 1.

2.

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1	Full Name	
3.2	Identity Number	
3.3	Company Registration Number	
3.4	Tax Reference Number	
3.5	Vat Registration Number	
3.6	CIDB Registration number and grading	

3.7 Are you presently in service of the state* **YES / NO**

3.7.1 If so, furnish particulars.....

.....

¹MSCM Regulations: "in the service of the state" means to be –

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

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

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

3.8.1 If so, furnish particulars.....
.....
.....

3.9 Are you connected with any person in the service of the state? **YES / NO**

3.9.1 If so, state particulars.....
.....

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

3.10.1 If so, state particulars.....
.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between the bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.11.1 If so, state particulars.....
.....
.....

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

YES / NO

3.12.1 If so, furnish particulars.....
.....
.....

3.13 Are any spouse, child of parent of the company's directors, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.13.1 If so, furnish particulars.....
.....
.....

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

are bidding for this contract

YES/NO

3.14.1 If yes, furnish particulars:

Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Capacity in company

DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

PROOF OF PAYMENT OF MUNICIPAL RATES AND TAXES

In terms of Council's Supply Chain Management Policy the Head of Department must check whether "any municipal rates and taxes or municipal service charges owed by a bidder or any of its directors to the municipality or municipal entity, or to any other municipality or municipal entity, are not in arrears.

ATTACHED TO THIS FORM

PLEASE ATTACHED TO THIS FORM

The recent municipal account of the Company that is bidding as well as the municipal account of each Director/member/owner on the CIPRO of the Company. Include a copy of the CIPRO if possible then we can be sure all of the Directors accounts has been received.

Failing to include all of the above accounts will mean that your bid will not be considered as it will be regarded as non-compliant.

THIS IS COMPULSORY.

SIGNED ON BEHALF OF THE TENDERER

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

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 not to 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

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
Total points for Price and B-BBEE must not exceed	100

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.

2. DEFINITIONS

- 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"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<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:

Designated Group: An EME or QSE which is at last 51% owned by:	EME	QSE
	√	√
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		
OR		
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 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

8.9 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
.....
.....

DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

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

CERTIFICATION

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

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

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....

Signature

.....

.....

Date

.....

CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) **Central Karoo District Municipality** in accordance with the requirements and specifications stipulated in bid number **CKDM001 – 2020/2021** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2.
-	---

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I **J Jonkers** in my capacity as **Acting Municipal Manager** accepts your bid under reference number **CKDM001 – 2020/2021** dated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

<i>ITEM NO.</i>	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
PER DOCUMENT					

4. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

NAME (PRINT) **J JONKERS**

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.
-
2.

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1)¹ and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates
 - 1.1. Annexure C- Local Content Declaration: Summary Schedule,
 - 1.2. Annexure D- Imported Content Declaration: Supporting Schedule to Annex C and
 - 1.3. Annexure E- Local Content Declaration: Supporting Schedule to Annex C.
2. General Conditions
 - 2.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
 - 2.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
 - 2.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
 - 2.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
 - 2.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
 - 2.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left[\frac{x}{y} \right] \times 100$$

¹ The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

Where

- x imported content
- y bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

2.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.
- this declaration certificate is not submitted as part of the bid documentation.

3. Definitions

3.1. **“bid”** includes advertised competitive bids, written price bids or proposals;

3.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

3.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

3.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

3.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).

3.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

3.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

3.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

3.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

4. **The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:**

Description of services, works or goods

Stipulated minimum threshold

1.

5. Does any portion of the services, works or goods offered have any imported content? YES / NO
- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID No.
ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity):

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, (full names),
 do hereby declare, in my capacity as
 of(name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R
Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

ANNEXURE C

SATS 1286.2011

Local Content Declaration – Summary Schedule

(C1) Tender No.				
(C2) Tender Description				
(C3) Designated product(s)				
(C4) Tender Authority				
(C5) Name of Tendering Entity				
(C6) Tender Exchange Rate	Currency		Rate	
(C7) Specified local content %				

NOTE: VAT to be excluded from all calculations

		Calculation of local content					
<i>Tender Item No's</i>	<i>List of Items</i>	<i>Tender Price – each</i>	<i>Exempted imported value</i>	<i>Tender value net of exempted imported content</i>	<i>Imported value</i>	<i>Local value</i>	<i>Local content % (per item)</i>
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)

Tender summary			
<i>Tender Quantity</i>	<i>Total tender value</i>	<i>Total exempted imported content</i>	<i>Total imported content</i>
(C16)	(C17)	(C18)	(C19)

20) Total tender value		
(C21) Total Exempt imported content		
(C22) Total Tender value net of exempt imported content		
(C23) Total Imported content		
(C24) Total local content		
(C25) Average local content % of tender		

SIGNATURE OF TENDERER AS PER LOCAL CONTENT DECLARATION

DATE

**ANNEXURE D
SATS 1286.2011**

Imported Content Declaration – Supporting Schedule to Annexure C

(D1)	Tender No.			
(D2)	Tender Description			
(D3)	Designated product(s)			
(D4)	Tender Authority			
(D5)	Tendering Entity's Name			
(D6)	Tender Exchange Rate	Currency		Rate

NOTE: VAT to be excluded from all calculations

A. Exempted imported content				Calculation of imported content					
Tender item no's	Description of imported content	Local supplier	Overseas supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)

(D19) Total exempt imported value

Summary	
Tender Quantity	Exempted imported value
(D17)	(D18)

This total must correspond with Annex C – C21

B. Imported directly by the Tenderer				Calculation of imported content					
Tender item no's	Description of imported content	Unit of measure	Overseas supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)

Summary	
Tender Quantity	Total imported value
(D30)	(D31)

(D32) Total imported value by tenderer

**ANNEXURE D - Continued
SATS 1286.2011**

Imported Content Declaration – Supporting Schedule to Annexure C

NOTE: VAT to be excluded from all calculations

C. Imported by a 3 rd party and supplied to the Tenderer				Calculation of imported content						Summary	
Description of imported content	Unit of measure	Local supplier	Overseas supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)
(D45) Total imported value by 3 rd party											

D. Other foreign currency payments			Calculation of foreign currency payments	
Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender rate of exchange
(D46)	(D47)	(D48)	(D49)	(D50)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53) Total of imported content and foreign currency payments – (D32), (D45) and (D52) above

Summary of Payments
Local value of payments
(D51)

SIGNATURE OF TENDERER AS PER LOCAL CONTENT DECLARATION

This total must correspond with Annex C – (C23)

DATE

Local content Declaration – Summary Schedule

(E1) Tender No.		NOTE: VAT to be excluded from all calculations
(E2) Tender Description		
(E3) Designated product(s)		
(E4) Tender Authority		
(E5) Tendering Entity's Name		

LOCAL PRODUCTS (Goods, Services and Works)		
Description of items purchased <i>(E6)</i>	Local suppliers <i>(E7)</i>	Value <i>(E8)</i>
(E9) Total local products (Goods, service and works)		

(E10) Manpower costs (Tenderer's own manpower cost)

(E11) Factory overheads (Rental, depreciation & amortization, utility costs, consumables, etc.)

(E12) Administration overheads and mark-up (Marketing, insurance, financing interest, etc.)

(E13) Total local content

This total must correspond with Annex C – C24

SIGNATURE OF TENDERER AS PER LOCAL CONTENT
DECLARATION

DATE

GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

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General Conditions of Contract (GCC)

1. Definitions

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

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- 1.24 "Services" means those functional services ancillaries 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 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
 - 1.26 "Tort" means in breach of contract.
 - 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
 - 1.28 "Written" or "in writing" means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance Security

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- 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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

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.

12. Transportation

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

13. Incidental Services

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

- (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, 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.

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- 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 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, 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.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time Schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 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 goods are required, or the supplier's services are not readily available.
- 21.4 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 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 judgement 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 supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser 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 Schedules 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 Schedule 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

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

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- (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.

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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment

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

35. Prohibition of restrictive practices

- 35.1 In terms of Schedule 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.
- 35.2 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 Schedule 59 of the Competition Act No 89 Of 1998.
- 35.3 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.