

SOUTH AFRICAN



***CIVIL AVIATION
AUTHORITY***

INVITATION TO BID

DATE OF ISSUE: 06 MAY 2016

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF SOUTH AFRICAN CIVIL AVIATION AUTHORITY
--

BID NUMBER : SACAA/CCM/003/2016-17

TITTLE

PUBLIC RELATIONS MANAGEMENT SERVICES

**BID SUBMISSION REQUIREMENTS: THEE (3) ENVELOPES
SUBMISSIONS MUST BE SUBMITTED IN ONE
ORIGINAL AND ONE COPY (SEE SPECIFICATIONS)**

BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:

**ATTENTION: THE CHAIRPERSON
SACAA BID COMMITTEE
SOUTH AFRICAN CIVIL AVIATION AUTHORITY
BUILDING 16, TREUR CLOSE
WATERFALL PARK, BEKKER STREET, MIDRAND**

CLOSING DATE: 30 MAY 2016

CLOSING TIME: 11:00

BID VALIDITY PERIOD: 90 DAYS

**COMPULSORY BRIEFING SESSION: South African Civil Aviation Authority
Ikhaya Lokundisa 1,
Kernick House, Bekker Street
Waterfall Park, Vorna Valley
Midrand**

DATE: 12 MAY 2016

TIME: FROM 11:00 – 12:00

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PART A

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF SOUTH AFRICAN CIVIL AVIATION AUTHORITY

BID NUMBER: **SACAA/CCM/003/2016-17** CLOSING DATE: **30 MAY 2016** TIME: **11:00**

DESCRIPTION: PUBLIC RELATIONS MANAGEMENT SERVICES

BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:

**SOUTH AFRICAN CIVIL AVIATION AUTHORITY
16, TREUR CLOSE
WATERFALL PARK,
BEKKER STREET, MIDRAND**

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

NAME OF BIDDER :

POSTAL ADDRESS :

STREET ADDRESS :

TELEPHONE NUMBER CODE :NUMBER :

CELL PHONE NUMBER :

FACSIMILE NUMBER CODE :NUMBER :

VAT REGISTRATION NUMBER :

HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES OFFERED BY YOU? YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER : DATE :

CAPACITY UNDER WHICH THIS BID IS SIGNED :

TOTAL BID PRICE :

A.1.1. CONDITIONS OF BIDDING

1. Proprietary Information

- 1.1. South African Civil Aviation Authority (SACAA) considers this tender and all related information, either written or verbal, which is provided to the respondent, to be proprietary to SACAA. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this specification or related information to any third party without the prior written consent of SACAA.

2. Enquiries

- 2.1. All communication and attempts to solicit information of any kind relative to this tender should be in writing and channeled to: Email address: thobakgalem@caa.co.za
- 2.2. *Bidders may not contact any other SACAA employee besides contact person mentioned on Paragraph 2.1 above on any matter pertaining to the bid from the time when bid is advertised to the time the bid is awarded. Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, may result in rejection of the bid concerned.*
- 2.3. All the documentation submitted in response to this tender must be in English.
- 2.4. The Bidder should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by SACAA in regard to anything arising from the fact that pages are missing or duplicated.

3. Validity Period

- 1.1. Responses to this tender received from suppliers will be valid for a period of **90 DAYS** counted from the closing date of the tender.

4. Submission of Tenders

- 4.1. Tenders should be submitted in duplicate all bound in a sealed envelope endorsed, **SACAA/CCM/003/2016-17**. The sealed envelope must be placed in the tender box at Building 16, Treur Close, Waterfall Park, Midrand by no later than **11H00 on 30 MAY 2016**.
- 4.2. The closing date, company name and the return address must also be endorsed on the envelope. If a courier service company is being used for delivery of the bid document, the bid description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered into the BID BOX.
- 4.3. No bid received by telegram, telex, email, facsimile or similar medium will be considered. Where a tender document is not in the tender box at the time of the bid closing, such a bid document will be regarded as a late bid. Late bids will not be considered.
- 4.4. Amended bids may be sent, together with the original bid, in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing date and time. An amendment bids without original bid document will not be considered.
- 4.5. The bidder is responsible for all the cost that they shall incur related to the preparation and submission of the bid document.

- 4.6. Kindly note that SACAA is entitled to amend any bid conditions, validity period, specifications, or extend the closing date of bids before the closing date. All bidders, to whom the bid documents have been issued, will be advised in writing of such amendments in good time.
- 4.7. SACAA reserves that right not to accept the lowest bid of any tender in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and also financially advantageous to SACAA.
- 4.8. SACAA also reserves the right to award this bid to a purely empowerment company or may award this bid on conditions that a joint venture with an empowerment company is formed. This may be added to the criteria when evaluating the bids.
- 4.9. SACAA also reserves the right to award this bid as a whole or in part without furnishing reasons.
- 4.10. SACAA reserves the right to, amongst other things, conduct unscheduled or scheduled site visit/s to satisfy itself, as to the validity of the information provided on this bid documents.
- 4.11. An incomplete price list shall render the bid non-responsive.

A.1.2 TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate.
2. Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
3. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
6. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
7. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.efiling.co.za

TERMS OF REFERENCE FOR

PUBLIC RELATIONS MANAGEMENT SERVICES

1. INTRODUCTION

The South African Civil Aviation Authority (SACAA) is a Schedule 3A public entity in terms of the Public Finance Management Act ("PFMA"). It was established on the 1st of October 1998, following the enactment of the now repealed South African Civil Aviation Authority Act, 1998 (Act No. 40 of 1998).

The Act provided for the establishment of a stand-alone authority charged with promoting, regulating and enforcing civil aviation safety and security. It reflected the Government's priorities and was in line with international trends in the aviation world where more and more states implemented this option.

The abovementioned Act was repealed as a whole by the Civil Aviation Act, 2009, (Act No. 13 of 2009). The Act provides for the establishment of a stand-alone authority mandated with controlling, promoting, regulating, supporting, developing, enforcing and continuously improving levels of safety and security throughout the civil aviation industry. The SACAA is an agency of the Department of Transport (DoT).

The above is to be achieved by complying with the Standards and Recommended Practices (SARPs) of the International Civil Aviation Organisation (ICAO), whilst considering the local context.

2. BACKGROUND AND CONTEXT

One of the SACAA's 2016/17 – 2020/21 Annual Performance Plan objectives calls for the improvement of internal and external stakeholder engagement. This will require the SACAA to augment its stakeholder engagement as well as corporate communications and marketing efforts. This also necessitates the development and implementation of a communicating strategy that, among others, outlines the organisation's mandate, services as well as achievements. Currently there is a dearth of proactive communication.

In the last six months, the SACAA undertook a pilot project that sought to assess the effectiveness of using a PR agency to augment the current in-house activities. The trial clearly led to a significant improvement in the SACAA's communication engagement and public profiling of its achievements and services. This achievement has indicated the need to continue using the services of an external public relations resource.

3. INVITATION TO BID

The South African Civil Aviation Authority (SACAA) wishes to improve on key aspects of its communication and stakeholder management strategy. In this regard, the SACAA's Corporate Communication and Marketing department wishes to secure the services of a suitably qualified and experienced public relations agency to render corporate communications management and publicity services.

In addition to possessing in-depth knowledge and experience in various aspects of marketing communications, it is also desirable that the bidder has knowledge of the aviation industry and the capacity to meet the communication needs of the SACAA's diverse stakeholders.

4. DURATION OF SERVICE

The SACAA hereby invites service providers to submit responses for the provision of Public Relations Management Services for a period of three (3) years from the date of the award.

5. SCOPE OF WORK

5.1. Broad Scope

The service provider is expected to develop a public relations and corporate communications strategy and plan for the SACAA with the key objective being to enhance the public profile of the organisation as well as to keep key stakeholders and the public informed about the entity's services and performance against its mandate.

5.2. Key Deliverables

The successful PR agency will work in partnership with the SACAA's Corporate Communication and Marketing department and media monitoring agency to:

- develop and maintain effective and mutually beneficial relations with key and relevant media outlets;
- create and maintain a database consisting of key and relevant local and international media;
- provide timely responses to media queries;
- create and maintain a media engagement and story pitching calendar detailing short, medium and long term plans;
- conceptualise and coordinate the hosting of media conferences;
- brief and prepare briefing documents for entity representatives prior to media interviews;
- manage press kits tools and data such as pictures, statistics, fact sheets, backgrounders, boilerplate, biographies, etc.;
- draft press release, opinion pieces, advertorials, newsletter articles, speeches, and other content deemed necessary;
- analyse reports by media monitoring agency and implement appropriate actions where necessary;
- maintain a database of frequently asked questions as well as responses to media and stakeholder queries;
- contribute to internal communication strategy;
- coordinate photo shoots as and when necessary;
- develop and implement an effective social media plan as part of the broader public relations and marketing communications strategy;
- manage reputation communication during a crisis; and
- provide general content development and editing services as and when required.

5.3. Retainer Management and Administration

The following are critical to the successful management and delivery of the assignment.

- The PR agency's assigned team must be available on a 24-hour basis.
- The successful bidder must assign a capable team to manage the retainer. This should consist of at least an Account Director, Account Manager, and Account Executive.
- Prepare and submit bi-weekly status reports.
- Prepare and submit monthly reports.
- Set up and attend monthly status meetings.
- Attend and partake in project meetings as and when required.
- Set up and attend quarterly status review meetings.
- Conduct an annual review and present a detailed review.

5.4. Requirements of the Public Relations company

The PR firm must have been in active business for a minimum of three (3) consecutive years. Bidders are expected to provide letters of reference, to include company name, contact person and contact details (telephone number and e-mail) of the referee.

Bidders are expected to illustrate understanding of the aviation industry and the SACAA's mandate as well as expertise in managing similar retainers. It is essential that the PR agency assign a capable team to handle the retainer.

The PR firm is expected to have excellent contacts with relevant journalists, media outlets as well as opinion formers. Understanding of government protocol is a necessity. Expertise in publicity and media relations as well as social media is a must.

5.5. Cost Proposal

The proposed cost estimates should take into account the following items:

- Once-off development of a three-year public relations and media engagement plan, which should also include online and digital public relations plan.
- Monthly public relations activities that would entail a minimum of six (6) deliverables based on the need of SACAA at the time such as;
 - a. media releases,
 - b. opinion pieces,
 - c. speeches,
 - d. media interviews,
 - e. newsletter articles, and
 - f. content development for adverts/advertorials/online platforms and corporate literature
- Bi-weekly status reports.
- Monthly status meetings and reports.
- The need to be available on a 24-hour basis and to attend to ad-hoc projects at short notice.
- Liaison with the SACAA's media monitoring agency.

6. EVALUATION PHASES

Bidders will be evaluated in accordance with the Supply Chain Management Policies as well as the Preferential Procurement Policy Framework, 2000 (Act No. 5 of 2000) and the Preferential Procurement Regulations of 2011. The evaluation criteria will consist of the following three (3) phases:

6.1. Phase 1 – Mandatory Requirements

6.1.1. National Treasury Requirements

- The submission of SBD documents does not have any weighting. Bidders are required to submit completed SBD, in line with the provisions and compliance to the PPPFA.
- Compliance with the PPPFA requirements is mandatory. All bidders are required to comply with these provisions of the PPPFA in order to qualify for the next evaluation stage. However, failure to submit SBD documents as per the PPPFA requirements does not disqualify the bidder; the bidders can be requested to submit these forms during evaluation phase.

Document	Comments	Submitted? (Yes/ No)
SBD 1 (Invitation to bid)	Make sure it is signed	
SBD 2 (Tax Clearance Certificate)	Certificate must be original and valid	
SBD 3.3 (Pricing schedule)	Filled or refer to an Annexure or addendum where price is mentioned	
SBD 4 (Declaration of interest)	Make sure it is signed	
SBD 6.1 and 6.3 (Preference Points in terms of PPPFA of 2001)	Make sure it is completed and points claimed are allocated as per BBEE certificate	
SBD 8 (Declaration of Bidder's past supply chain management practices)	Make sure it is signed	
SBD 9 (Certificate of Independent Bid Determination)	Make sure it is signed	
Certified copies of Original of Company Registration Documentation NB: Certification stamp must be original and no more than 3 months old as at date of closing of tender	1. certificate of registration, 2. change of name certificate (if applicable) 3. register of directors, and most current registered business address (Company Registration: CM1 and CK1, Change of Name Certificate:CM9, Latest Registered address: CM22,Most current register of directors CM29 and CK2)	
Total Bid Price	Total bid price must be on the price envelope (Envelope 3).	
Vat Registration Certificate	If applicable	
BBEE Certificate & BBEE Statement	Valid certified copies must be submitted	
Company Profile	Include structure of the company	
Certified copies of Share Certificates	For all current shareholders if applicable	
Certified copies of identity documents	For all current shareholders / members	

6.2. Phase 2 – Functionality/ Technical Evaluation

TECHNICAL EVALUATION			
SUB-CRITERIA	DESCRIPTION	POINTS	
		MIN	MAX
Tactical Approach and Industry Knowledge	Bidders are expected to illustrate understanding of the aviation industry and the SACAA's mandate as well as expertise in managing similar retainers. - Bidders to provide a brief case study of work done for a similar retainer outlining success of the campaign/retainer. - One (1) successful case study provided – 5 points - Two (2) successful case studies provided – 7.5 points - Three (3) successful case studies provided - 10 points	5	10
	Bidders are expected to submit a brief plan on the approach, methodology and tools to be utilised specifically for this retainer	40	60
Company Track Record Experience	The PR firm must have been in active business for a minimum of three (3) consecutive years. Please provide letters of reference, to include company name, contact person and contact details (telephone number and e-mail) - Less than three (3) consecutive years' experience – 0 points - Three (3) to five (5) consecutive years' experience – 5 points - More than five (5) years' experience – 10 points.	5	10
Account Director Experience	The team leader must have a minimum of ten (10) years' working experience in public relations. CV must be attached to the technical proposals as proof. - A diploma/degree plus a minimum of ten (10) years' working experience in the public relations field – five (5) points - A diploma/degree plus more than ten (10) but less than fifteen (15) years' working experience in the public relations field – seven and half (7.5) points - A diploma/degree plus more than fifteen (15) years' working experience in the public relations field – ten (10) points.	5	10
Account Manager Experience	The deputy team leader must have a minimum five (5) years' working experience in public relations. CV must be attached to the technical proposals as proof. - A diploma/degree plus a minimum of five (5) years' working experience in the public relations field – two and half (2.5) points - A diploma/degree plus more than five (5) years' working experience in the public relations field – five (5) points	2.5	5
Account Executive Experience	The team assistant must have a minimum of three (3) years' working experience in public relations. CV must be attached to the technical proposals as proof. - A diploma/degree plus a minimum of three (3) years' working experience in the public relations field – two and half (2.5) points - A diploma/degree plus more than three (3) years' working experience in the public relations field – five (5) points.	2.5	5
TOTAL POINTS FOR TECHNICAL EVALUATION		60	100

Bidders who score more than 60 points of 100 on functionality will be considered for site inspection evaluation. Bidders will not be disqualified if a minimum in any of the functional criteria is not met, however failure to meet the overall minimum will lead to a disqualification.

6.3. Phase 3 – BBBEE and Price Evaluation

Only bidders that have achieved the minimum qualifying points on functionality and site visits will be evaluated further in accordance with the **90/10*** preference point system as follows:

PRICE & BBBEE	SCORE
PRICE	90
BBBEE	10
TOTAL	100

The SACAA will award preference points to bidders who provide an original or certified copy of a valid B-BBEE Verification Certificate issued by the accredited verification agency.

* Refer to General conditions on SBD 6.1 of the tender document.

7. BRIEFING SESSION

7.1. A compulsory briefing session is scheduled for (day) (month), (year) at SACAA Offices Ikhaya Lokundisa 2.

8. SUBMISSION OF BID DOCUMENT

8.1. Bid submission requires a three (3) Envelope system

8.1.1. ENVELOPE 1

- All mandatory documents on Phase 1 of the section 6 (**EVALUATION PHASES**)
- On the SBD 1 under **TOTAL BID PRICE** state ***“refer to price proposal”*** please do not state your total bid price here.

8.1.2. ENVELOPE 2

- Technical Proposal (1 original and 1 copy)

8.1.3. ENVELOPE 3

The pricing schedule must be submitted on a separate envelope from the technical proposal for ease of evaluation as these will be evaluated separately.

- Financial Proposal (1 original and 1 copy)

8.2. Bidders are required to submit neat and well bonded documents as SACAA will not be held responsible for any loss of documents whatsoever.

8.3. Detailed Company Profile including:

- Physical work address
- Ownership of the bidder
- Proof of relevant expertise and experience
- References on similar projects

PRICING SCHEDULE AS PER ANNEXURE A – FIRM PRICES

PRICING SCHEDULE
(Professional Services)

NOTE: ONLY FIRM PRICES IN SOUTH AFRICAN RANDS ('R') WILL BE ACCEPTED

NAME OF BIDDER	:
BID NO.	: SACAA/CCM/003/2016-17
CLOSING TIME	: 11:00 ON : 30 May 2016

OFFER TO BE VALID FOR 60 DAYS FROM THE CLOSING DATE OF BID.

1.1. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of VAT for the project. R.....

1.2. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE
 (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

PERSON AND POSITION	HOURLY RATE	DAILY RATE
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----
-----	R-----	R-----

1.3. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE
 AND MAN-DAYS TO BE SPENT

R-----	----- days
R-----	----- days
R-----	----- days
R-----	----- days
R-----	----- days
R-----	----- days

- 1.4. Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.
- 1.5. Full time construction monitoring staff shall be reimbursed for travelling expenses, for either the return office to site or return home to site journeys, whichever is the lesser. Part time construction monitoring staff shall be reimbursed for either the return office to site or return alternate site to site journeys, whichever is the lesser. Construction monitoring staff engaged in work outside of normal working hours shall be reimbursed for the return home to site journey. Staff other than construction monitoring staff shall only be reimbursed for travelling expenses in respect of trips exceeding 40km per journey (round trip). Payment shall only be made for that portion of the distance that exceeds 40 km.
- 1.6. The per km rate for the reimbursement of travel expenses shall be limited to the ad-hoc duty transportation allowance for the Employers own staff as adjusted from time to time. This rate is currently R3.30/km (including VAT)

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QTY	AMOUNT

- 1.7. Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QTY	AMOUNT

- 1.8. Period required for commencement with project after acceptance of bid.....
- 1.9. Estimated man-days for completion of project
- 1.10. Are the rates quoted firm for the full period of contract?
- 1.11. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....

2. SECOND PHASE: BEE

2.1. B-BBEE Evaluation:

- Bidders must submit valid BBEE Certificates & Statements which will be verified by the agencies.
- For purpose of comparison and in order to ensure a meaningful evaluation, Service providers are requested to furnish detailed information in substantiation of compliance to the evaluation criteria for BEE.
- Qualifying bids will be further evaluated in terms of the 80/20 if less than R1, 000, 000.00 preference point systems (20 allocated to BBEE and 80 allocated to price), and 90/10 for transactions in excess of R1, 000, 000.00 preference point systems (10 allocated to BBEE and 90 allocated to price).

BBEE & Price will be evaluated according to the preference point system as outlined below B-BBEE	10 points for < R1m	10 points for > R1m
BBEE Status Level of Contributor	Number of Points	
1	20	10
2	18	9
3	16	8
4	12	6
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

- 2.2. Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 2.3. Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 2.4. A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 2.5. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 2.6. Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 2.7. A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 2.8. A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

PART B

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Full Name of bidder or his or her representative:

Identity Number:

Position occupied in the Company (director, trustee, shareholder²):

Company Registration Number:.....

Tax Reference Number:

VAT Registration Number:

3. The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

4. Are you or any person connected with the bidder presently employed by the state? YES/ NO

4.1. If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed:

.....

Position occupied in the state institution:

Any other particulars:

.....
.....
.....

5. If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector **YES/ NO**

5.1. If yes, did you attach proof of such authority to the bid document? **YES/ NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

5.2. If no, furnish reasons for non-submission of such proof:

.....
.....
.....

6. Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES/ NO**

6.1. If so, furnish particulars:

.....
.....
.....

7. Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

7.1. If so, furnish particulars.

.....
.....
.....

8. Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/ NO**

8.1. If so, furnish particulars.

.....
.....
.....

9. Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES/ NO

9.1. If so, furnish particulars:

.....

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

Full Name	Identity Number	Personal Tax Reference Number	State Number / Employee Peral Number

4 DECLARATION

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of bidder

B2: THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (CHOOSE ONLY IF APPLICABLE)

THIS DOCUMENT MUST BE SIGNED AND SUBMITTED TOGETHER WITH YOUR BID

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1. PILLARS OF THE PROGRAMME

1.1. The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:

- a) Any single contract with imported content exceeding US\$10 million. Or
- b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million. Or
- c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.or
- d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.

1.2. The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a pro-rata basis.

1.3. To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

1.4. A period of seven years has been identified as the time frame within which to discharge the obligation.

2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

2.1. In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.

2.2. The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

3. BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

- 3.1. Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2. In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
- Bid / contract number.
 - Description of the goods, works or services.
 - Date on which the contract was accepted.
 - Name, address and contact details of the government institution.
 - Value of the contract.
 - Imported content of the contract, if possible.
- 3.3. The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.
4. PROCESS TO SATISFY THE NIP OBLIGATION
- 4.1. Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
- (a) the contractor and the DTI will determine the NIP obligation;
 - (b) the contractor and the DTI will sign the NIP obligation agreement;
 - (c) the contractor will submit a performance guarantee to the DTI;
 - (d) the contractor will submit a business concept for consideration and approval by the DTI;
 - (e) upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
 - (f) the contractor will implement the business plans; and
 - (g) the contractor will submit bi-annual progress reports on approved plans to the DTI.
- 4.2. The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid Number _____	Closing Date _____
Name of Bidder _____	
Postal Address _____	

Signature _____	Name _____ Date _____

PART C – PREFERENCE POINT SYSTEM

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2001

PURCHASES

This preference form must form part of all bids invited. It contains general information and serves as a claim form for Historically Disadvantaged Individual (HDI) preference points as well as a summary for preference points claimed for attainment of other specified goals

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs), AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001.

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 R1, 000 000.00; and
The 90/10 system for requirements with a Rand value above R1, 000 000.00**

1.2. The value of this bid is estimated **to exceed R1, 000 000.00** and therefore the 90/10 system shall be applicable.

1.3. Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific contract participation goals, as specified in the attached forms.

1.3.1. The points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	90
1.3.1.2 SPECIFIC CONTRACT PARTICIPATION GOALS	
(a) Broad-Based Black Economic Empowerment:	10
(b) Total points for Price and B-BBEE	100

1.4. Failure on the part of a bidder to fill in and/or to sign this form may be interpreted to mean that preference points are not claimed.

1.5. 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. GENERAL DEFINITIONS

- 2.1. **“Acceptable bid”** means any bid which, in all respects, complies with the specifications and conditions of bid as set out in the bid document.
- 2.2. **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods, works or services.
- 2.3. **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 2.4. **“Consortium or joint venture”** means an association of persons for the purpose of combining

their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

- 2.5. **“Contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 2.6. **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations 2001.
- 2.6. In addition to above-mentioned goals, the Regulations [12.(1)] also make provision for organs of state to give particular consideration to procuring locally manufactured products.
- 2.7. **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- 2.8. **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 2.9. **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 2.10. **“Historically Disadvantaged Individual (HDI)”** means a South African citizen
 - (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act No 200 of 1993) (“the interim Constitution”); and/or
 - (2) who is a female; and/or
 - (3) who has a disability:

Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI;

- 2.11. **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 2.12. **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 2.13. **“Person”** includes reference to a juristic person.
- 2.14. **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of bid invitations and includes all applicable taxes and excise duties.
- 2.15. **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (No 102 of 1996).
- 2.16. **“Sub-contracting”** means the primary contractor’s assigning or leasing or 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.
- 2.17. **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- 2.18. **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ESTABLISHMENT OF HDI EQUITY OWNERSHIP IN AN ENTERPRISE

- a. Equity ownership shall be equated to the percentage of an enterprise which is owned by individuals classified as HDIs, or in the case of a company, the percentage shares that are owned by individuals classified as HDIs, who are actively involved in the management and daily business operations of the enterprise and exercise control over the enterprise, commensurate with their degree of ownership.

- b. Where individuals are not actively involved in the management and daily business operations and do not exercise control over the enterprise commensurate with their degree of ownership, equity ownership may not be claimed.

4. ADJUDICATION USING A POINT SYSTEM

- 4.1. The bidder obtaining the highest number of points will be awarded the contract.
- 4.2. Preference points shall be calculated after prices have been brought to a comparative basis.
- 4.3. Points scored will be rounded off to 2 decimal places.
- 4.4. In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.

5. POINTS AWARDED FOR PRICE

5.1. THE 80/20 OR 80/20 PREFERENCE POINT SYSTEMS

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

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

Where

P_s = Points scored for price of bid under consideration
 P_t = Rand value of bid under consideration
 $P_{\min}$ = Rand value of lowest acceptable bid

6. Points awarded for historically disadvantaged individuals

- 6.1. In terms of Regulation 13 (2) preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed in Regulation 13 (5) (c):

$$NEP = NOP \times \frac{EP}{100}$$

Where

NEP = Points awarded for equity ownership by an HDI

NOP = The maximum number of points awarded for equity ownership by an HDI in that specific category

EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

- 6.2. Equity claims for a trust will only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the trust.
- 6.3. Documentation to substantiate the validity of the credentials of the trustees contemplated above must be submitted.
- 6.4. Listed companies and tertiary institutions do not qualify for HDI preference points.
- 6.5. A consortium or joint venture may, based on the percentage of the contract value managed or executed by their HDI-members, be entitled to preference points in respect of an HDI.
- 6.6. A person awarded a contract as a result of preference for contracting with, or providing equity

ownership to an HDI, may not subcontract more than 25% of the value of the contract to a person who is not an HDI or does not qualify for the same number or more preference for equity ownership.

7. BID DECLARATION

7.1. Bidders who claim points in respect of equity ownership must complete the Bid Declaration at the end of this form.

8. EQUITY OWNERSHIP CLAIMED IN TERMS OF PARAGRAPH 2.10 ABOVE. POINTS TO BE CALCULATED FROM INFORMATION FURNISHED IN PARAGRAPH 9.8.

Ownership	Percentage owned	Points claimed
8.1. Equity ownership by persons who had no franchise in the national elections	%	
8.2. Equity ownership by women	%	
8.3. Equity ownership by disabled persons*	%	
8.4. *If points are claimed for disabled persons, indicate nature of impairment (see paragraph 2.8 above).....		

9. DECLARATION WITH REGARD TO EQUITY

9.1. Name of firm :

9.2. VAT registration number :

9.3. Company registration number :

9.4 TYPE OF FIRM

- ☐ Partnership
- ☐ One person business/sole trader
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

9.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

9.6. COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7. TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?

9.8. List all Shareholders by Name, Position, Identity Number, Citizenship, HDI status and ownership, as relevant. Information to be used to calculate the points claimed in paragraph 8.

Name	Date/Position occupied in Enterprise	ID Number	Date Citizenship obtained	RSA	* HDI Status			% of business / enterprise owned
					No franchise prior to elections	Women	Disabled	

*Indicate YES or NO

9.9. Consortium / Joint Venture

9.9.1. In the event that preference points are claimed for HDI members by consortia / joint ventures, the following information must be furnished in order to be entitled to the points claimed in respect of the HDI member:

Name of HDI member (to be consistent with paragraph 9.8)	Percentage (%) of the contract value managed or executed by the HDI member

9.10. I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

The information furnished is true and correct.

- (i) The Equity ownership claimed is in accordance with the General Conditions as indicated in paragraph 1 of this form.
 - (ii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
 - (iii) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have –
 - (iv) Recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (v) 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;
- (a) Impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid; and

WITNESSES:

1.

2.

DATE:.....

ADDRESS:.....

.....

.....

.....

.....
SIGNATURE(S) OF BIDDER(S)

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT
REGULATIONS 2001 (PROMOTION OF SMALL BUSINESSES)**

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES SPECIFIED IN CLAIM FORM SBD 6.1 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2001

1. Regulation 17 (3) (c) of the Preferential Procurement Regulations makes provision for the promotion of small businesses within the preference point systems.

2. SPECIFIC GOAL

POINTS ALLOCATED

The promotion of small businesses as defined in the National Small Business Act, 1996 (Act 102 of 1996)

3. BID DECLARATION

Bidders who wish to claim points in respect of this goal must complete paragraph 5 below.

4. POINTS CLAIMED

Indicate whether the points allocated for this goal is claimed.

Yes / No

5. INFORMATION FURNISHED WITH REGARD TO THE PROMOTION OF SMALL BUSINESSES

5.1. Indicate whether the company is a small, medium or micro enterprise as defined by the National Small Business Act, 1996 (Act 102 of 1996). Yes / No

5.1.1 If the response to paragraph 5.1 is yes, the following must be completed:

5.1.1.1 Sector or sub-sector in accordance with the Standard Industrial Classification

5.1.1.2 Size or class

5.1.1.3 Total full-time equivalent of paid employees

5.1.1.4 Total annual turnover

5.1.1.5 Total gross asset value (fixed property excluded)

5.1.1.6 Points claimed hereunder must be based on value added, excluding profit and overheads but including and not limited to local manufacture, packaging and distribution to this specific bid.

5.1.1.7 The purchaser shall indicate the different categories of percentage value added as well as the points allocated for each category. These categories may vary from industry to industry. The bidder is compelled to indicate for which category he/she is bidding and the relevant preference points claimed.

Percentage Value Added	Points Allocated	Points Claimed

5.1.1.8 Please furnish details of value added:

.....

5.1.1.9 If required, the information supplied above must be substantiated by an external auditors certificate and the relevant documentation.

5.2. Indicate whether the company is actively involved in the promotion of small businesses, as defined in the National Small Business Act, 1996 (Act 102 of 1996), by subcontracting/ outsourcing any of

the business functions of the company to local small businesses *inter alia* manufacturing, packaging, distribution etc. Yes/ No

5.2.1 If the response in paragraph 5.2 is yes, paragraphs 5.1.1.1 to 5.1.1.5 as well as the following must be completed:

5.2.1.1 Specific business function(s) subcontracted/outsourced

5.2.1.2 Name of small business

5.2.1.3 Address and telephone number of small business as well as contact person

.....
.....

5.2.1.4 Points claimed hereunder must be based on outsourced business to small businesses as a percentage of annual turnover for the previous financial year(s).

5.2.1.5 The purchaser shall indicate the different categories of percentage value added as well as the points allocated for each category. These categories may vary from industry to industry. The bidder is compelled to indicate for which category he/she is bidding and the relevant preference points claimed.

Percentage of Turnover	Points Allocated	Points Claimed

5.2.1.6 If required information supplied above must be substantiated by an external auditor's certificate and the relevant documentation.

5.3. Total points claimed under par. 5.1.1.6 and 5.2.1.4 will not exceed the maximum of points allocated for this specific goal.

6. BID DECLARATION

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm declare that points claimed, based on promotion of small, medium or micro enterprises, qualifies the firm for the point(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iii) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
 - (a) recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (b) 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;
 - (c) impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid; and

WITNESSES:

1.

2.

.....
SIGNATURE(S) OF BIDDER(S)
DATE:

PART D – DECLARATION OF BIDDER’S PAST SCM PRACTICES

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 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 companies or persons 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).	☐	☐
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.	☐	☐
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 outside of the Republic of South Africa) for fraud or corruption during the past five years?	☐	☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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

D2: CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description) in response to the invitation for the bid made by:

(Name of Institution) do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or 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

.....
Position

.....
Name of Bidder

PART E

E1: UNDERTAKINGS BY BIDDER IN RESPECT OF THIS BID

1. Interpretation

- 1.1. In his agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicate a contrary intention:-
- 1.2. An expression which denotes
 - any gender includes the other gender;
 - a natural person included an artificial or juristic person and vice versa;
 - the singular includes the plural and vice versa;
- 1.3. Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date, and as amended or re-enacted from time to time;
- 1.4. When any number of days is prescribed, such shall be reckoned inclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
- 1.5. Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.

2. I/we hereby bid:

- 3.1. to supply all or any of the supplies and/or to render all or any of the goods described in the attached documents to SACAA;
- 3.2. on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of incorporated into, this bid);
- 3.3. at the prices and on the terms regarding time for delivery and/or execution inserted therein.

3. I/we agree further that:

- 4.1. the offer herein shall remain binding upon me/us and open for acceptance by SACAA during the validity indicated and calculated from the closing time of the bid;
- 4.2. this bid and its acceptance shall be subject to the terms and additions contained in the Schedules hereto with which I am/we are fully acquainted;

4. notwithstanding anything to the contrary:

- 5.1. if/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, SACAA may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and SACAA.
 - 5.2. in such event, I/we shall then pay to SACAA any additional expense incurred by SACAA for having either to accept any less favourable bid or, If fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid;
 - 5.3. SACAA shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other bid or contract;
5. Pending the ascertainment of the amount of such additional expenditure SACAA may retain such monies, guarantee or deposit as security for any loss SACAA may sustain, as determined hereunder, by reason of my/our default;
- 6.1. any legal proceedings arising from this bid may in all respects be launched or instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be

obtained against me/us as a result of such legal proceedings and I/we undertake to pay SACAA legal costs on an attorney and own client basis;

- 6.2. if my/our bid is accepted that acceptance may be communicated to me/us by letter or facsimile ad that proof of delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;
- 6.3. the law of the Republic of South Africa shall govern the contract created by the acceptance of this bid;
7. I/we have satisfied myself/ourselves as to the correctness and validity of this bid, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) over all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations shall be at my/our risk;
8. I/we accept full responsibility for the proper execution and fulfillment of all obligation and conditions defaulting on me/us under this agreement as the principal(s) liable for the due fulfillment of this contract.
9. Notwithstanding full responsibility for the proper execution and fulfillment of all obligations and conditions defaulting on me/us under this agreement as the principal(s) liable for the due fulfillment of this contract.
10. Notwithstanding the amount of cause of action involved I hereby consent to the jurisdiction of the Magistrate Court for the district of Johannesburg in respect of any action whatever arising from this contract.
11. I/we declare that I/we participation/no participation in the submission of any other offer for the supplies/services described in the attached documents. If your answer here is

Bidder's Information

Name of firm (company)

Postal Address

Physical Address

Contact Person

Telephone

Fax Number

Types of business

Principal business

Activities

12. The bidder hereby offer to render all or any of the services described in the attached documents to SACAA on the terms and conditions and in accordance with the specifications stipulated in these tender documents (and which shall be taken as part of, and incorporated into, this proposal at the prices inserted therein).
13. Bids submitted by companies must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the bid.

14. The bidder hereby agrees that the offer herein shall remain binding upon him/her and receptive for acceptance by SACAA during the validity period indicated and calculated from the closing hour and date of the tender; this proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.
15. The bidder furthermore confirm that he/she has satisfied himself/herself as to the correctness and validity of his/her tender response that the price(s) and rate(s) quoted cover all the work/item(s) specified in the tender response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accept that any mistakes regarding price(s) and calculations will be at his/her risk.
16. The bidder hereby accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under this agreement as the principal(s) liable for the due fulfillment of this contract.

E2: GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter. The General Conditions of Contract will form part of all bid and contract documents.

- (iii) Special Condition of Contract pertaining to contracts of this nature will be negotiated with the successful bidder.

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GENERAL CONDITIONS OF CONTRACT

1. Definitions

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 client and the service provider, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference herein.
- 1.3. "Contract price" means the price payable to the service provider 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. "Day" means calendar day.
- 1.7. "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.8. "Force majeure" means an event beyond the control of the service provider and not involving the service provider's fault or negligence and not foreseeable.
Such events may include, but is not restricted to, acts of the client in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.9. "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.
- 1.10. "GCC" means the General Conditions of Contract.
- 1.11. "Goods" means all of the equipment, machinery, service and/or other materials that the service provider is required to supply to the client under the contract.
- 1.12. "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 service provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.13. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.14. "Order" means an official written order issued for the rendering of a service.
- 1.15. "Project site," where applicable, means the place indicated in bidding documents.
- 1.16. "The client" means the organization purchasing the service.
- 1.17. "Republic" means the Republic of South Africa.
- 1.18. "SCC" means the Special Conditions of Contract.

- 1.19. "Services" means those functional services ancillary to the rendering of the service, 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 service provider covered under the contract.
- 1.20. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

3. General

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

4. Standards

- 4.1. The service rendered shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection

- 5.1. The service provider shall not, without the client's prior written consent, contract disclose the contract, or any provision thereof, or any specification, documents plan, drawing, pattern, sample, or information furnished by or on and behalf of the client in connection therewith, to any person other information; than a person employed by the service provider 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 service provider shall not, without the client's prior written consent, make use of any document or information mentioned in GCC clause except for purposes of performing the contract.
- 5.3. Any document, other than the contract itself mentioned in GCC Clause shall remain the property of the client and shall be returned (all copies) to the client on completion of the service provider's performance under the contract if so required by the client.
- 5.4. The service provider shall permit the client to inspect the service provider's records relating to the performance of the service provider and to have them audited by auditors appointed by the client, if so required by the client.

6. Patent rights

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

7. Performance Security

- 7.1. Within thirty (30) days of receipt of the notification of contract award, security the successful bidder shall furnish to the client the performance security of the amount specified in SCC.

- 7.2. The proceeds of the performance security shall be payable to the client as compensation for any loss resulting from the service provider'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 client 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 client's country or abroad, acceptable to the client, in the form provided in the bidding documents or another form acceptable to the client; or
 - (b) a cashier's or certified cheque
- 7.4. The performance security will be discharged by the client and returned to the service provider not later than thirty (30) days following the date of completion of the service provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Delivery and Documents

- 8.1. Rendering of service shall be made by the service provider in accordance with the document and terms as specified in the contract. The details of shipping and/or other documents to be furnished by the service provider are specified in SCC.
- 8.2. Documents to be submitted by the service provider are specified in SCC.

9. Insurance

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

10. Transportation

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

11. Incidental Service

- 11.1. The service provider may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the rendered service;
 - (b) furnishing of tools required for assembly and/or maintenance of the rendered service;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the rendered service;
 - (d) performance or supervision or maintenance and/or repair of the rendered service, for a period of time agreed by the parties, provided that this service shall not relieve the service provider of any warranty obligations under this contract; and
 - (e) training of the client's personnel, at the service provider's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the rendered service.
- 11.2. Prices charged by the service provider for incidental services, if not included in the contract price for the service, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the service provider for similar services.

12. Warranty

- 12.1. The service provider warrants that the service rendered 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 service provider further warrants that all service rendered under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the client's specifications) or from any act or omission of the service provider, that may develop under normal use of the rendered service in the conditions prevailing in the country of final destination.
- 12.2. This warranty shall remain valid for twelve (12) months after the service, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 12.3. The client shall promptly notify the service provider in writing of any claims arising under this warranty.
- 12.4. If the service provider, having been notified, fails to remedy the defect(s) within the period specified in SCC, the client may proceed to take such remedial action as may be necessary, at the service provider's risk and expense and without prejudice to any other rights which the client may have against the service provider under the contract.

13. Payment

- 13.1. The method and conditions of payment to be made to the service provider under this contract shall be specified in SCC.
- 13.2. The service provider shall furnish the client with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 13.3. Payments shall be made promptly by the client, but in no case later than thirty (30) days after submission of an invoice or claim by the service provider.
- 13.4. Payment will be made in South African Rand unless otherwise stipulated in SCC.

14. Prices

- 14.1. Prices charged by the service provider for services performed under the contract shall not vary from the prices quoted by the service provider in his bid, with the exception of any price adjustments authorized in SCC or in the client's request for bid validity extension, as the case may be.

15. Contract amendments

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

16. Assignment

- 16.1. The service provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the client's prior written consent.

17. Subcontracts

- 17.1. The service provider shall notify the client 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 service provider from any liability or obligation under the contract.

18. Delays in the service provider's performance

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

19. Penalties

- 19.1. Subject to GCC Clause 25, if the service provider fail to perform services within the period(s) specified in the contract, the client 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 unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The client may also consider termination of the contract pursuant to GCC Clause 23.

20. Termination for default

- 20.1. The client, without prejudice to any other remedy for breach of for default contract, by written notice of default sent to the service provider, may terminate this contract in whole or in part:
 - (a) if the service provider fails to deliver service within the period(s) specified in the contract, or within any extension thereof granted by the client pursuant to GCC Clause 21.2;
 - (b) if the service provider fails to perform any other obligation(s) under the contract; or
 - (c) if the service provider, in the judgment of the client, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 20.2. In the event the client terminates the contract in whole or in part, the client may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the

service provider shall be liable to the client for any excess costs for such similar services. However, the service provider shall continue performance of the contract to the extent not terminated.

- 20.3. Where the client terminates the contract in whole or in part, the client may decide to impose a restriction penalty on the service provider by prohibiting the service provider from doing business with the public sector for a period not exceeding 10 years.
- 20.4. If a the client intends imposing a restriction on a the service provider or any person associated with the service provider, the service provider 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 service provider fail to respond within the stipulated fourteen (14) days the client may regard the intended penalty as not objected against and may impose it on the service provider.
- 20.5. Any restriction imposed on any person by the Accounting Officer/ Authority will, at the discretion of the Accounting Officer/ Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 20.6. If a restriction is imposed, the client must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the service provider and / or person restricted by the client;
 - (ii) the date of commencement of the restriction; and
 - (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 the service providers or persons prohibited from doing business with the public sector.

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

21. Force Majeure

- 21.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the Majeure the service provider 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.
- 21.2. If a force majeure situation arises, the service provider shall promptly notify the client in writing of such condition and the cause thereof. Unless otherwise directed by the client in writing, the service provider 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.

22. Termination for insolvency

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

23. Settlement of Disputes

23.1. If any dispute or difference of any kind whatsoever arises between the client and the service provider 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.

23.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the client or the service provider 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.

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

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

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

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

24. Limitation of liability

24.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

- (a) the service provider shall not be liable to the client, 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 service provider to pay penalties and/or damages to the client; and
- (b) the aggregate liability of the service provider to the client, 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

25. Governing language

25.1. 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

26. Applicable law

26.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC

27. Notices

27.1. Every written acceptance of a bid shall be posted to the service provider 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 services of such notice

- 27.2. 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.

28. Taxes and duties

- 28.1. A foreign the service provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the client's country.
- 28.2. A local the service provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted service to the client.
- 28.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

29. National Industrial Participation (NIP) Programme

- 29.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

NAME OF YOUR COMPANY (IN BLOCK LETTERS) _____

SIGNATURE(S) OF THE BIDDER OR ASSIGNEE(S) _____ **DATE** _____

NAME OF PERSON SIGNING (IN BLOCK LETTERS) _____

CAPACITY _____

ARE YOU DULY AUTHORISED TO SIGN THIS BID? _____

COMPANY REGISTRATION NUMBER _____

VAT REGISTRATION NUMBER _____

POSTAL ADDRESS (IN BLOCK LETTERS) _____

PHYSICAL ADDRESS (IN BLCOK LETTERS) _____

CONTACT PERSON _____

TELEPHONE NUMBER _____ **FAX NUMBER** _____

CELLPHONE NUMBER _____

E-MAIL _____

TYPES OF BUSINESS _____

PRINCIPAL BUSINESS ACTIVITIES _____