



**water & sanitation**

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

**DUE AT 11:00 ON**

**31 JANUARY 2023**

**DWS15-1122WTE**

**APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE  
IMPLEMENTATION OF THE INFRASTRUCTURE PROCUREMENT STRATEGY  
WITHIN THE INFRASTRUCTURE MANAGEMENT BRANCH**

**SUBMIT BID DOCUMENTS TO:**

**POSTAL ADDRESS:**

DIRECTOR-GENERAL:  
DEPARTMENT OF WATER AND SANITATION  
PRIVATE BAG X313  
PRETORIA, 0001

**OR**

**TO BE DEPOSITED IN:**

THE BID BOX AT THE ENTERANCE  
OF ZWAMADAKA BUILDING  
157 FRANCIS BAARD STREET  
PRETORIA, 0001

Compulsory Briefing Session

Date: 12 December 2022

Time: 10:00am

Venue: Department of Water and Sanitation  
173 Francis Baard Street  
Emanzini Building  
G18 Boardroom  
Pretoria

BIDDER: (Company Address or Stamp)

**COMPILED BY CHIEF DIRECTORATE: CONSTRUCTION MANAGEMENT**

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	DWS15-1122WTE	CLOSING DATE:	31 January 2023	CLOSING TIME:	11:00am
DESCRIPTION	APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF THE INFRASTRUCTURE PROCUREMENT STRATEGY WITHIN THE INFRASTRUCTURE MANAGEMENT BRANCH				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>THE BID BOX. AT THE ENTRANCE OF ZWAMADAKA BUILDING</b>					
<b>157 FRANCIS BAARD STREET, PRETORIA 0001</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Bid Office		CONTACT PERSON	Ms. M. Maraka	
TELEPHONE NUMBER	012 336 8241/ 6562/ 8151		TELEPHONE NUMBER	012 336 7073	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	<a href="mailto:bidenquirieswte@dws.gov.za">bidenquirieswte@dws.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:marakam@dws.gov.za">marakam@dws.gov.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g., company resolution)

DATE: .....



**water & sanitation**

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

---

**PROJECT NUMBER: DWS15-1122WTE**

**DEPARTMENT OF WATER AND SANITATION**

**CHIEF DIRECTORATE: CONSTRUCTION MANAGEMENT**

**APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION  
OF THE INFRASTRUCTURE PROCUREMENT STRATEGY WITHIN THE INFRASTRUCTURE  
MANAGEMENT BRANCH**

This Document consists of the following:

Terms of Reference

Evaluation Criteria

Pricing Schedule

Standard Bidding Documents

General Conditions of Contract July 2010 (National Treasury)



**water & sanitation**

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

## **TERMS OF REFERENCE**

**FOR**

**APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER FOR THE IMPLEMENTATION OF THE INFRASTRUCTURE PROCUREMENT STRATEGY WITHIN THE INFRASTRUCTURE MANAGEMENT BRANCH FOR 18 MONTHS**

## Contents

1. Background
2. Problem Statement
3. Objectives and Anticipated Outcomes
4. Project Scope
5. Required Skills
6. Methodology
7. Communication and Reporting
8. Key Stakeholders
9. Duration of Assignment
10. Pricing Schedule
11. Conditions

## 1. BACKGROUND

The Constitution of the Republic of South Africa, 1996, gives the right to all people in South Africa to have access to water and to have their dignity protected and respected. Water is life and sanitation are dignity. Furthermore, the Constitution requires the state to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of these rights. Section 3 of the Water Services Act of 1997 (Act No 108 of 1997) stipulates the following in this regard:

- everyone has a right of access to basic water supply and basic sanitation;
- every water services institution must take reasonable measures to realise these rights; and.
- every water services authority must, in its water services development plan, provide for measures to realise these rights.

The Infrastructure Management Branch (IMB) is responsible for the development, operations, maintenance and rehabilitation of National Water Resources Infrastructure Assets for the Department of Water and Sanitation (DWS). It distributes bulk (untreated/raw) water in terms of the National Water Act (No. 36 of 1998) to authorised users. The IMB's responsibility is to design, develop, construct and maintain infrastructure assets comprising of dams, tunnels, pipelines, canals, pump stations, Waste Water Treatment Plants (WWTP's), Water Treatment Plants (WTP's), Buildings and associated infrastructure that is positioned across Southern Africa.

The IMB has four Chief Directorates namely:

- Chief Directorate: Infrastructure Development
- Chief Directorate: Engineering Services
- Chief Directorate: Construction Management
- Chief Directorate: Infrastructure Operations and Maintenance

DWS has its own internal contractor: Chief Directorate: Construction (CD: CM). The CD: CM undertakes a range of water infrastructure projects falling within the Department's mandate. These projects include bucket eradication, pipelines, water treatment works, bulk water supply, COVID 19 tanks, weirs, syphons, dams, housing, measuring structures and canals projects. Bills of quantities are prepared for these projects to estimate the costs associated therewith. The current high value infrastructure projects executed by DWS construction units include Babanana pipeline (R 346,9 m), Brits WTW (R 122,3m), Butterworth emergency (R 481,57m), Giyani water services project (R 278,0m), Groblersdal water treatment plant (R108,0m), Moutse Bulk Water Supply (Multiple) (R 182,1m), Mowkop Valdezia Pipeline (R 230,1 m), Namakwa Pipeline Phase II B (R 163,96m), Taung BWS Phase 2d (R 187,5 m), Clanwilliam Dam (R 2,393b), Nzhelele Canal Rehabilitation (R 262,7 m) and Vlakfontein Canal Phase 2 (R 609,2 m).

The CD: CM has five construction units located across the country namely:

- Construction South based in Paarl, Western Cape Province
- Construction North based in Tzaneen, Limpopo Province
- Construction West based in Potchefstroom, North West Province
- Construction East based in Standerton, Mpumalanga Province
- Construction Central Workshop based in Jan Kempdorp, Northern Cape Province

The CD: CM owns plant and equipment and has at Jan Kempdorp a facility which is capable of manufacturing, refurbishment and re-building of plant and equipment. The functions of this facility include the rebuilding of

construction equipment (Fleet), Building / Refurbishment of Mechanical Items, Manufacturing of Pipes and Mechanical Items.

Hereunder is a list of material and services which the CD: CM repetitively requires for the effective implementation of construction projects:

- Cement (bulk and bags)
- Timber
- Shutter boards
- Reinforcing steel
- Pipes, pipe specials and valves
- Sanitation Services
- Ready Mix Concrete
- Formwork
- Plant hire
- Different sizes mild steel plates
- Different sizes stainless steel plates
- Different sizes and thickness of various steel (angle iron, round bars, flat bar, I-beams, square, round and rectangular tubing and solid bars)
- Concrete stone
- Concrete sand
- Drilling and blasting services

Resources relating to physical construction are supplied through a supply chain which needs to be contracted and mobilised to provide the necessary professional services, manufacture or supply materials, products, components and assemblies as well as the necessary equipment and labour to provide the works. Such a chain, which is bound together through contracts, has many interdependencies and interfaces. Each member of the supply chain needs to provide the work for which they are responsible for in accordance with the project's construction programme. If one part of the supply chain fails to delivery in accordance with the construction programme it can cause a knock on or ripple effect on other parts.

The Infrastructure Branch is being constrained by the inability of the Department to procure which had imparted major stumbling blocks and time delays into the projects undertaken by the different units within the branch. The National Treasury Framework for Infrastructure Delivery and Procurement Management (FIDPM) requires that an Infrastructure Procurement Strategy (IPS) be developed, updated annually, and approved. The Department subsequently developed an Infrastructure Procurement Strategy to address procurement issues within the branch, the strategy has been attached at **Annexure A**.

Such a strategy is required as a minimum to *"include a list of programmes and projects covering the prescribed planning period and include the following minimum contents:*

- a) *Delivery Plan*
- b) *Contracting Arrangements*
- c) *Procurement Arrangements"*

The delivery plan needs to be developed to implement the strategy and identify not only the categories of spend but also the capacity and capabilities of the client delivery management team which needs to be put in place to perform the "buying" function i.e. plan, specify, procure and oversee delivery. Such a team can be put in place within the department or through outsourcing.



It was directed that a PSP be obtained from the market to assist with the process of implementing and maintaining an effective procurement system. Further, it was thought that the Service Provider also be made responsible for the implementation of the Procurement Strategy of the Infrastructure branch.

## **2. PROBLEM STATEMENT**

The current Departmental procurement policy, processes and procedures are not fit for purpose in the delivery of infrastructure by DWS construction units as it is not capable of delivering the resources which the Construction Unit requires in accordance with a construction programme/s. This is evident from extracts from the bid register for the 2021/22 financial year for bids which are not yet awarded:

Construction South: Site specifications for reinforcement steel and aggregates for a dam rehabilitation project were available during September and December 2019, respectively

Construction East: Site specifications for a range of aggregates, pipes, ready mix concrete and gabions for an access road were available during November 2018 and for mesh reinforcing, steel, cement, stone, fly ash and ready mix concrete for a canal during March 2019

Construction North: Site specifications for were available for filter sand for a dam during March 2019

A step change in approach is required to enable DWS construction units to deliver projects efficiently and economically.

The Infrastructure Branch is being constrained by the inability of the Department to procure which had imparted major stumbling blocks and time delays into the projects undertaken by the different units within the branch.

## **3. OBJECTIVES AND ANTICIPATED OUTCOMES**

The primary objectives of this project are as follows:

- i) enable DWS construction units and other units within the Infrastructure Management Branch to function efficiently, effectively and economically through the timeous and in sequence delivery of resources to sites or workshops;
- ii) reduce costs through more efficient procurement practices;
- iii) reduce the time taken to solicit tenders and award contracts;
- iv) significantly reduce the number of contracts put in place and administered through the DWS SCM system
- v) enable collaborative relationships which deliver better value and project outcomes
- vi) enable certainty in delivery dates for materials, spares, equipment and construction related services to support the work of DWS Construction Units to be achieved
- vii) implement the infrastructure procurement strategy by establishing framework contracts

#### **4. PROJECT SCOPE**

The items that must be effectively dealt with during the implementation process after the Professional Service Provider (PSP) is appointed are the following:

- I. Effective implementation of the Infrastructure Procurement strategy. The Service Provider shall be responsible to implement the infrastructure branch procurement strategy under the guidance of the Deputy Director General: Infrastructure Management.
- II. Effective establishment and implementation of the framework contracts for procurement of material and construction machines and equipment.
- III. Effective contract management of the framework contracts. The PSP must be thoroughly knowledgeable with the format of the framework contracts to ensure that these framework contracts are understood and implemented as required.

#### **5. REQUIRED SKILLS**

The Service Provider must have the following skills and competencies which shall be tested during the evaluation process of the bid. All or some of the issues mentioned hereunder shall be monitored as measures for the successful delivery of the service.

- I. A practical skill and thorough understanding of the Quantity Surveying competence as it pertains within the Construction management competence must be present within the service provider. Should understand and have exposure in estimation and costing for infrastructure projects.
- II. A practical skill and thorough understanding of the Finance and SCM competence as it is applied within the Infrastructure Management Branch must reside within the competence of the service provider. The PFMA shall be the basis of this measurement, understand and have exposure in government legislation applicable to procurement for infrastructure projects within the government sphere.
- III. The practical skill and thorough understanding of the National Treasury Framework for Infrastructure Delivery and Procurement Management (FIDMP) and all related legislation pertaining to the FIDMP.
- IV. A solid and working knowledge of the Private and Public Sector experience must reside in the service provider. This will provide the service provider with the solid basis to manage the service provision within directorates in the Department.
- V. A good working understanding of Government Regulations and its application must reside within the structure of the Service Provider.
- VI. A good working knowledge of Infrastructure Procurement, which shall be measured during the evaluation process.
- VII. A good working knowledge of contract management as it pertains to the NEC and other contractual prescripts shall be a requirement. It is expected that the service provider shall advise the project sites about the relevant approaches when exceptions are experienced at the sites. This shall be measured during the evaluation process.

VIII. The PSP should avail additional capacity as and when required.

## 6. METHODOLOGY

The PSP will be required to develop a clear a detailed methodology on how the project will be rolled out. The methodology must reflect the consultants understanding of the complexities of the infrastructure procurement geared up for the departmental construction unit.

## 7. COMMUNICATION AND REPORTING

### • Transfer of Skills

The DWS Skills Development policy requires that the use of the PSP must benefit the human resources within the department itself. As a result, the PSP will be expected to ensure that there is at least one competent individual stationed full-time at each construction unit during the duration of the contract. There are currently five construction units within the Chief Directorate: Construction. The PSP should also station at least one competent individual at DWS head office in Pretoria for daily reporting on the progress made on the project.

The PSP will be expected to work closely with the Project Manager on this contract and other DWS officials as part of the transfer of skills. training and mentoring of the existing procurement personnel at the respective units.

It is important that the service provider trains and mentors the personnel at the construction units to manage the procurement and contract management processes swiftly and effectively. Furthermore, the PSP must take this requirement into consideration when developing its proposal.

### • Progress Meetings

Weekly, bi-weekly, and monthly progress meetings will be held as and when required by the Department and the PSP should be able to develop and produce documents in relation to:

- Progress of work against the agreed programme of work
- Milestones and deliverables
- Actual expenditure against cashflow
- Significant findings and outcomes
- Corrective actions taken in respect of work programme
- Cash flow estimates
- Ensuring that progress reports are submitted
- Ensuring that a complete record of proceedings of the project meetings is maintained and appropriately documented, including the close out report at the end of the project

### • Deliverables:

- **Putting in place an Infrastructure procurement and delivery management policy and procedures**

The DWS infrastructure procurement strategy is framed around the use of framework agreements and procurement documents which are in accordance with the prescripts of the Construction Industry Development Board (CIDB). Framework agreements are currently not utilised by DWS.

Governance arrangements need to be put in place to enable their implementation. At the same time, DWS only embraces the prescripts of the CIDB in respect of construction contracts. It needs to be expanded to cover all infrastructure procurement. The infrastructure procurement and delivery management policy and procedures also need to align with not only the CIDB prescripts but also the National Treasury Framework for Infrastructure Delivery and Procurement Management (FIDPM) and the CIDB best practice assessment schemes. Furthermore, DWS needs in the wake of the Supreme Court of Appeal and Constitutional Court ruling to determine its preferential procurement policy and to implement it within the framework provided in the Preferential Procurement Policy Framework Act.

Any IDPM policy also needs to take into account the very recently gazetted National Infrastructure Plan 2050's recommended step changes on the strengthening of institutions responsible for infrastructure planning and delivery. This plan signals a shift in infrastructure procurement and delivery management policy and has identified a number of conditions to be met to achieve the NIP 2050 vision including:

- 1) The regulatory framework must enable network infrastructure procurement and delivery. The regulation of SCM for infrastructure must enable integrated projects with built-environment professionals playing a significant role. SCM for infrastructure must be handled as a strategic function, not simply a financial one. The procurement of infrastructure must be differentiated from that of other goods and services.
- 2) A strategic approach must be taken to infrastructure procurement. The focus must be on value for money and prioritised over lowest cost. This must include robust cost-benefit analysis. Infrastructure Procurement and Delivery Management will be de-linked from centralised purchasing and led by a chief procurement officer and/or high-level office specifically mandated and capacitated with built-environment professionals to procure and deliver infrastructure.
- 3) Infrastructure delivery must be managed as an "enterprise" and not an ad hoc collection of projects. Systems of accountability will become aligned with effective infrastructure delivery. The DWS IPDM policy and procedures needs to establish:
  - ethical standards for those engaged in IPDM activities;
  - DWS's infrastructure procurement policy including other related SCM policy and regulation
  - infrastructure procurement and processes and procedures; and
  - infrastructure delivery management processes and procedures; and
  - assign responsibilities for decision making at decision points (gates) within infrastructure procurement and delivery management processes.
  - templates to facilitate sign off at gates included in the policy should be developed.

➤ **Provide templates for the different categories of infrastructure procurement**

It is important that procurement documents to implement the procurement strategy are of a high quality, incorporate suitable tactics and are developed in accordance with the provisions of SANS ISO 10845-2, Construction procurement. Failure to do so will compromise the effective implementation of the procurement strategy or result in substandard project outcomes. An examination of the current procurement documents utilised by DWS indicate that a step change in procurement documents is required.

The procurement strategy also envisages the use of conditions of contract and framework agreements which have not previously been embraced by the DWS. Furthermore, suitable documents are required to effectively implement:

Skills development and enterprise development as required by the CIDB best practice assessment scheme;

- The Department of Trade and Industries' local production and content programme; and
- DWS's preferential procurement policy.

The most effective and sustainable way for DWS to implement the procurement strategy is to develop templates for each category of procurement based on the following:

1) The adoption of the framework for component documents included in SANS ISO 10845-2

➤ **Capacity building to implement the adopted procurement strategy**

Capacity building is necessary to implement the adopted procurement strategies. Staff training will need to take place in the following four basic areas:

- 1) The implementation of the DWS Infrastructure Procurement and Delivery Management Policy
- 2) The implementation of the NEC3 contracts upon which the procurement strategy is based.
- 3) The implementation of framework agreements.
- 4) The population of the templates for specific procurements.
- 5) Training should be followed up with mentoring to ensure that staff implement the above competently and effectively.

- Develop and establish framework contracts for procurement of material and plant
- Contract management of the framework contracts
- **Skills transfer plan**
- Monthly progress reports and meetings
- Close out report

## **8. KEY STAKEHOLDERS**

The following stakeholders have been identified beneficiaries of the process and will be of assistance during the implementation of the contract:

- The Department of Water and Sanitation, Chief Directorate: Infrastructure Development
- The Department of Water and Sanitation, Chief Directorate: Engineering Services
- The Department of Water and Sanitation, Chief Directorate: Construction Management
- The Department of Water and Sanitation, Chief Directorate: Infrastructure Operations and Maintenance

## **9. DURATION OF ASSIGNMENT**

The contract period for this assignment is estimated at 18 months from the date of appointment.

## **10. PRICING SCHEDULE**

The PSP is required to develop a pricing schedule as per SBD 3.3 for all works as articulated in the evaluation criteria. The pricing schedule should be broken down per month, indicating annual costs on all resources and services required for the project. The pricing schedule must be attached to the returnable documents for this bid.

## **11. CONDITIONS**

- Bidders are required to submit valid tax clearance and valid B-BBEE Status Level Verification Certificates or certified copies thereof with their bids, to substantiate their B-BBEE rating claims.

- The DWS will become the owner of all documentation and deliverables produced within the context of the contract.

For further technical information please contact  
Ms Mancha Maraka  
Chief Director: Construction Management  
[marakam@dws.gov.za](mailto:marakam@dws.gov.za)

For bidding enquiries Management please contact  
[Bidenquirieswte@dws.gov.za](mailto:Bidenquirieswte@dws.gov.za)



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

### EVALUATION CRITERIA

Bids will be evaluated in five (5) phases as per Preferential Procurement Regulations , 2017 issued in terms of section 5 of the Preference Procurement Policy Framework Act , Act number 5 of 2000 ( PPPFA). The bidder scoring the highest points in phase 5 will price preference (80/20) will be recommended for award

DWS has adopted a Five (5) phase evaluation process. The evaluation process includes the following phases:

- Phase 1: Mandatory Requirements
- Phase 2: Pre-qualification
- Phase 3: Administrative Compliance
- Phase 4: Functionality Compliance
- Phase 5: 80/20 Principle Preferential Procurement Regulation

#### Phase 1:

##### Mandatory requirements

The bidder will not be considered for further evaluation if the he/she did not attend the compulsory briefing session. Failure to comply will lead to disqualification.

No	Criteria	Yes	No
1	Attendance of compulsory briefing and bidders' names must appear on the attendance register.		

**Phase 2: Pre-qualification criteria**

- Prequalification criteria will be used in this bid to advance designated groups on the basis of BBEE Status Level of contributor, EME's and QSE's
- Failure to meet the below indicated prequalification criteria in terms of the PPR, 2017, Regulation 4 will automatically disqualify your bid.

Any box ticked below will be verified thoroughly by the Department.

**EME and/or QSE**

EME (Exempted Micro Enterprises)	QSE (Qualifying Small Enterprises)

**B-BBEE STATUS LEVEL CONTRIBUTOR**

LEVEL 1	LEVEL 2	LEVEL 3

Bidders will be prequalified on the basis of attaining B-BBEE Status Level 1, 2 or 3 to be eligible for further evaluation. Bidders with B-BBEE Status Level other than 1 - 3 will not be eligible for further evaluation.

**NB: Bidders are requested to submit a valid B-BBEE certificate or B-BBEE Sworn Affidavit**

Bidders who are EME or QSE will be considered for this bid. Bidders who are not EME or QSE will not be eligible for further evaluation.

**Phase 3:**

**Administrative Compliance:**

Bidders are required to **comply** with the following listed below: - Failure to comply may lead to the disqualification of the bid.

No	Criteria	Yes	No
1	Companies must be registered with National Treasury's Central Supplier Database must submit CSD report.		
2	Tax compliant with SARS. Attach a copy of SARS Tax compliance pin page . (To be confirmed through CSD and SARS)		
3	Active registration with Company Intellectual Property Commission (to be verified through CSD and CIPC). Attach copy of CIPC / CIPRO certificate.		
4	A copy of valid B-BBEE Status Level Verification Certificate (failure to submit, the Bidder will forfeit the preferential points to be claimed)		
9	Complete, sign, submit SDB1, SBD3.3, SBD 4, SBD 6.1		



**Phase 4:**

**Functionality Compliance**

Bidders must score at least **70 out of 100** in respect of functionality in order to qualify for advancement to Phase 4. A Bidder that scores less than **70 out of 100** will be regarded as non-responsive and will be disqualified.

The weight that will be allocated to each functionality criteria is as follows:

**1 = poor; 2 = average; 3 = good; 4 = very good; and 5 = excellent**

The evaluators are to score the bidder on a scale of 1 to 5 and use the scored value to determine the archived weight of the criteria.

Criteria	Sub-Criteria	Point Value	Weight of Criterion	Bidder Score
Track Record	1. Relevant experience in infrastructure procurement services or similar. 2. Provide a minimum of three (3) or more contactable references of clients for which infrastructure procurement services were rendered. Contactable reference to include; description of the project, period of the contract, contract amount and project manager for reference. 3. Bidders must submit signed reference letter(s) from previous clients/employer. 4. Reference letter(s) must clearly indicate the aspect of infrastructure procurement services		30	
	9 -10yrs relevant experience, with three or more contactable references (attach letters)	5		
	7 - 8yrs relevant experience, with three contactable references (attach letters)	4		
	5 - 6yrs relevant experience, with three contactable references (attach letters)	3		
	3 - 4yrs relevant experience, with two contactable references (attach letters)	2		
	1 - 2yrs relevant experience, with one contactable reference (attach letters)	1		
	Team Capability	1. The PSP must attach detailed information of the Project Leader and Assistant Leader, with Quantity Surveying/SCM experience. 2. The CVs must outline the individual's experience, years of experience and capabilities in relation to the expectations outlined in the Terms of Reference		
9 - 10yrs relevant experience		5		
7 - 8yrs relevant experience		4		
5 - 6yrs relevant experience		3		
3 - 4yrs relevant experience		2		
1 - 2yrs relevant experience		1		
Methodology	The bidders ability to relate to the proposed project deliverables (See section 7 of ToR) in terms of their methodology.		25	

	Bidders are expected to provide a brief description of the approach, methodology on how the works required will be executed.			
	The bidder provided comprehensive details on all Seven (7) proposed project deliverables	5		
	The bidder provided comprehensive details on four (4) and five (5) proposed project deliverables	4		
	The bidder provided comprehensive details on three (3) proposed project deliverables	3		
	The bidder provided comprehensive details on two (2) proposed project deliverables	2		
	The bidder provided comprehensive details on one (1) proposed project deliverables	1		
Skills Transfer/On the Job Training	A preliminary skills development plan should be submitted with the bid document to enable the Department to establish and implement the infrastructure procurement strategy beyond the completion of this project.		15	
<b>TOTAL</b>			<b>100</b>	

**Phase 5:**

**80/20 Principle will be applied in terms of the Preferential Procurement Regulations, 2017:**

During this phase, bids will be evaluated based on 80 points for price and 20 points for attaining the B-BBEE Status Level Contribution in accordance with the table under SBD 6.1 in paragraph 4.

Bid proposals that passed the phase 4 will be further evaluated based on the 80/20 preference points system in accordance with the PPPFA Act, where 80 points will be attained in respect of price and 20 points will be awarded to a bidder for attaining the B-BBEE Status Level of Contribution.

The bidder scoring the highest points in phase 5 price and preference (80/20) will be recommended for award.

Attach a copy of valid B-BBEE Status Level Verification Certificate .

Tenderers who qualify as Exempted Micro Enterprises (EME) may submit an original Sworn Affidavit signed by the EME representative and attested by a Commissioner of Oaths confirming its annual total revenue of R10 million or less and indicating B-BBEE Level Contributor. Alternatively, the bidder may submit a valid B-BBEE Certificate for Exempted Micro Enterprises issued by the Companies & Intellectual Property Commission (CIPC) on behalf of the Department of Trade and Industry on 24 April 2018.

In the case of Qualifying Small Enterprises (QSE), if the bidding entity is more than 51% black owned, the bidder may submit an original valid Sworn Affidavit, signed by the QSE representative and attested by a Commissioner of Oaths. (in line with the Justices of the Peace and Commissioners of Oaths Act, 1963). If the QSE is less than 51% black owned, then the bidding entity will be required to provide a copy of valid BBBEE Certificate ..

Only B-BBEE Status Level Verification Certificates issued by agencies accredited by SANAS will be accepted. In case of a trust, consortium or joint venture, all bidders must submit a valid consolidated B-BBEE Status Level Verification Certificate issued by an agency accredited by SANAS

**PRICING SCHEDULE  
(Professional Services)**

NAME OF BIDDER: .....	BID NO.: <u>DWS15-1122WTE</u>
CLOSING TIME <u>11:00am</u>	CLOSING DATE: <u>31 JANUARY 2023</u>

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

1. The accompanying information must be used for the formulation of proposals.
2. 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 all applicable taxes for the project. R.....

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

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
-----PROJECT LEADER/MANAGER X 1-----	R-----	-----
-----PROFESSIONAL ENGINEER X 1-----	R-----	-----
-----QUANTITY SURVEYOR X 1-----	R-----	-----
-----JUNIOR QS/ENGINEER X 1-----	R-----	-----
-----SCM PRACTITIONER (EXPERT IN FIPDM) X 6-----	R-----	-----
-----ADMINISTRATOR-----	R-----	-----

5. 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

5.1 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.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
-----	.....	.....	R.....
-----	.....	.....	R.....

.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

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

5.2 Other expenses, for example accommodation (specify, e.g. 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	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

- 6. Period required for commencement with project after acceptance of bid .....  
.....
- 7. Estimated man-days for completion of project .....18 MONTHS.....
- 8. Are the rates quoted firm for the full period of contract? \*YES/NO
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ....  
.....  
.....

**NB:**

\*THE PSP SHOULD NOTE THAT THIS IS A RATE BASED PROJECT, THE FEES WILL BE AS PER ECSA GAZETTED RATES

\*TRANSPORT WILL BE AS PER DEPARTMENT OF TRANSPORT RATES WHICH THE SCHEDULE WILL BE PROVIDED TO THE PSP REGULARLY

\*ACCOMMODATION CLAIMS MUST BE IN LINE WITH NATIONAL TREASURY COST CONTAINMENT MEASURES

**Any enquiries regarding bidding procedures may be directed to the –**

[Bidenquirieswte@dws.gov.za](mailto:Bidenquirieswte@dws.gov.za)  
Tel: (012) 336-8241/ 6562/ 8151

**Or  
for technical information contact –**

Ms. M Maraka  
E-mail: [MarakaM@dws.gov.za](mailto:MarakaM@dws.gov.za)

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

T2.2 VOLUME 2 : RETURNABLE DOCUMENTS

**RETURNABLE DOCUMENTS REQUIRED FOR TENDER EVALUATION PURPOSES**

TENDER NO: DWS15-1122WTE



**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM A COMPULSORY ENTERPRISE QUESTIONNAIRE**

1.1 Name of firm :.....

1.2 VAT registration number:.....

1.3 Company registration number :.....

**1.4 TYPE OF FIRM**[TICK APPLICABLE BOX]

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

**1.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

- Civil Engineering Services
- Structural Engineering Services
- Mechanical Engineering Services
- Electrical Engineering Services
- Architectural Design Services
- Project Management Services

**1.6 COMPANY CLASSIFICATION** [TICK APPLICABLE BOX]

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

1.7 **TOTAL NUMBER OF YEARS THIS FIRM HAS BEEN IN BUSINESS?** .....

1.7.1 **TOTAL ANNUAL TURNOVER?** .....





- 1.9 I / We, the undersigned, who warrants that he / she is duly authorised to do so and I / we acknowledge that:
- (i) The information furnished is true and correct.
  - (ii) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
    - (a) recover 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;

Name of Tenderer : .....

Date: .....

Signature :.....Position: .....

Full name of signatory: .....

Witness 1 .....

Witness 2 .....

The following Documents must be attached:

**For Closed Corporations**

CK1 or CK2 as applicable (Founding Statement)

**For Companies**

Shareholders register

**For Joint Venture Agreement**

Copy of Joint Venture Agreement between all parties, as well as the documents in (1) or (2) of each Joint Venture Member

**Certified ID copies for members of the Tendering Entity**

Attached ID copies of all shareholders in Tendering Entity



**TENDER NO: DWS15-1122WTE**

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM B RECORD OF ADDENDA TO TENDER DOCUMENT**

We confirm that the following communication received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	<b>Date</b>	<b>Title of Details</b>
<b>1</b>		
<b>2</b>		
<b>3</b>		
<b>4</b>		
<b>5</b>		
<b>6</b>		
<b>7</b>		
<b>8</b>		
<b>9</b>		
<b>10</b>		



TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

FORM C AUTHORITY OF SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category. Delete whichever is inapplicable.

A Company	B Partnership	C Joint Venture	D Sole Proprietor	E Close Corporation
--------------	------------------	--------------------	----------------------	------------------------

A. Certificate for company

I,....., chairperson of the board of directors of ..... hereby confirm that by resolution of the board taken on ..... 20.....

Mr/Ms....., acting in the capacity of ..... was authorised to sign all documents in connection with this tender and any contract resulting from it on behalf of the company.

As witnesses:-

1. ....  
Witness Chairman

2. ....  
Witness Date

**B. Certificate for partnership**

We, the undersigned, being the key partners in the business trading as .....  
hereby authorise Mr/Ms ....., acting in the capacity of  
....., to sign all documents in connection with the tender for Contract  
..... and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**NOTE:** This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.

**C. Certificate for Joint Venture**

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms ....., authorised signatory of the company ....., acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract ..... and any contract resulting from it on our behalf.

This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	AUTHORIZING SIGNATURE, NAME & CAPACITY
<u>Lead Partner</u>		
<u>Partner 1</u>		
<u>Partner 2</u>		
<u>Partner 3</u>		
<u>Partner 4</u>		

**D. Certificate for sole proprietor.**

I, ..... hereby confirm that I am the sole owner of the  
business trading as .....

As witnesses:-

1. ....  
Witness Signature: Sole owner

2. ....  
Witness Date

**E. Certificate for Close Corporation**

We, the undersigned, being the key members in the business trading as .....  
hereby authorise Mr/Ms ....., acting in the capacity of  
....., to sign all documents in connection with the tender for Contract  
..... and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**NOTE:** This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.

TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)



**FORM D SCHEDULE OF PROPOSED PERSONNEL**

No	Professional	Name	ID No	Pr. No	HDI Status	Male / Female	Signature
1.	<b>Key Personnel (Professional Registered Personnel)</b>						
2	<b>Technical and Support Staff</b>	<b>Number</b>					
	Technicians						
	Draughts Persons / CAD Operators						
	Safety Agents						
	Site Supervisors						
	Administrative Staff						
	Other Support Staff (describe & list )						

Name of Tenderer : .....Date: .....

Signature : ..... Position: .....

Full name of signatory: .....



TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

FORM E SCHEDULE OF INFRASTRUCTURE & RESOURCES

1. BUILDINGS AND OFFICES

No	Description	Address	Floor Area M <sup>2</sup>
1	HQ;		
2.	Region;		
3.	Local;		

2. EQUIPMENT AND COMPUTER HARDWARE

No	Description	Size/Memory Capacity	No
1	Computers		
2.	Printers		
3.	Plotters		
4.	Copiers		

3. DESIGN & OTHER COMPUTER HARDWARE

No	Description	User Type	No of Licences
1			
2.			
3.			
4.			

Name of Tenderer : .....

Date: .....

Signature :..... Position: .....

Full name of signatory: .....



**TENDER NO: DWS15-1122WTE**

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS  
(PSP)**



**FORM F PROOF OF PROFESSIONAL INDEMNITY**

Attach proof of your uninterrupted Professional Indemnity Insurance cover from an Accredited Financial Institution

<b>No</b>	<b>Name Entity</b>	<b>Professional Body</b>
1		

Name of Tenderer : .....Date: .....

Signature : .....Position: .....

Full name of signatory: .....



TENDER NO:

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

FORM G UNDERSTANDING OF EPWP; SMME DEVELOPMENT; GRANT FUNDING

1. Understanding of EPWP; Labour Intensive Methods and SMME Development

Tenderers must discuss in a Report format (max 2 pages) their understanding with regard to labour intensive design and construction and SMME development under these topics:

- a) Labour Intensive Design Approach
b) Labour Intensive Construction Techniques
c) Identification of Works to be constructed using labour Intensive construction methods
d) Understanding Expanded Public Works Programme in Relation to (b); (c) and (d)
e) Understanding of Municipal Infrastructure Grants
f) SMME Development

Labour Intensive NQF Accreditation

Provide proof of NQF7 and NQF 5 Labour Intensive Accreditation by completing the table below

Table with 5 columns: No, NQF Level, Name of Employee, ID Number, Designation. Rows 1-7.

Name of Tenderer : .....Date: .....

Signature : .....Position: .....

Full name of signatory: .....

TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)



**FORM H SCHEDULE OF PREVIOUS EXPERIENCE**

Provide proof of 5 similar assignments and projects (Water and Sanitation) completed within the last 5 years by completing the table

No	Assignment / Project	Value in Rands	Date Assigned	Date Completed	Employer	Contact Person	Tel No
1.							
2.							
3.							
4.							
5.							

Name of Tenderer : .....Date: .....

Signature :..... Position: .....

Full name of signatory: .....

TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

**FORM H SCHEDULE OF PREVIOUS EXPERIENCE (continued)**

List projects previously executed or being implemented for Department of Water and Sanitation completed within the last 5 years by completing the table

No	Assignment / Project	Value in Rands	Date Assigned	Date of Completion	DWS Project Coordinator	Tel No
1.						
2.						
3.						
4.						
5.						

Name of Tenderer : .....Date: .....

Signature : ..... Position: .....

Full name of signatory: .....

TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)



**FORM I SCHEDULE OF CURRENT ASSIGNMENTS**

Provide proof of current assignments by completing the table

No	Assignment / Project	Value in Rands	Date Assigned	Date Completed	Employer	Contact Person	Tel No
1.							
2.							
3.							
4.							
5.							
6.							
7.							

Name of Tenderer : .....Date: .....

Signature :.....Position: .....

Full name of signatory: .....

TENDER NO: DWS15-1122WTE

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS  
(PSP)**



**FORM J FINANCIAL REFERENCE**

**1. Banking Information**

I/we hereby authorises the Client (Department of Water and Sanitation) to approach the following bank for the purposes of obtaining a financial reference. (Bank letter confirming details to be attached)

<b>Bank Name</b>	
<b>Account Name</b>	
<b>Account Type</b>	
<b>Account Number</b>	
<b>Branch Code</b>	
<b>Address of Bank</b>	
<b>Contact Person</b>	
<b>Telephone Number</b>	
<b>How long has this Account been in existence</b>	

**2. Authorised Bank Account Information**

I/we hereby authorises the Client (Department of Water and Sanitation) to process all payments due to us through EFT direct to the bank details provided.

Name of Tenderer : .....

Date: .....

Signature:..... Position: .....

Full name of signatory: .....

**TENDER NO: DWS15-1122WTE**

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM K CERTIFICATE OF ATTENDANCE OF COMPULSORY BRIEFING MEETING**

This is to certify that I, .....(Full Name)

ID No: .....

duly authorised representative of .....(Tenderer)

Address: .....  
.....  
.....

Date: .....

Attended the briefing meeting on ..... (date) in the presence of;

.....  
**(Representative of the employer)**

I have made myself familiar with the requirements and conditions likely to influence the work and cost thereof.

I further certify that I am satisfied with the description of the work and explanations given by the employer that I understand perfectly the work to be done, as specified and implied, in the execution of this contract.

\_\_\_\_\_  
**REPRESENTATIVE OF EMPLOYER**

\_\_\_\_\_  
**REPRESENTATIVE OF TENDERER**

**TENDER NO: DWS15-1122WTE**



**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM L MUNICIPAL ACCOUNT OR LEASE AGREEMENT**

Tenderers are required to submit a municipal account bearing the tenderer's name as proof of payment of municipal services.

In case tenderers lease office space from the landlord via the estate agency, tenderers are requested to submit the said lease agreement

The required documents above must form part of the attachments to this Volume.

Failure on the part of the Tenderer to submit and attach the requested form will carry an automatic disqualification.

Name of Tenderer: .....

Date: .....

Signature : .....

Full name of signatory .....





**TENDER NO: DWS15-1122WTE**

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM M BIDDER'S DISCLOSURE**

**1. PURPOSE OF THE FORM**

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

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

**2. Bidder's declaration**

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

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

Full Name	Identity Number	Name of State institution

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

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

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

### 3 DECLARATION

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

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 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.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

---

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

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

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

..... Signature	..... Date
..... Position	..... Name of bidder



TENDER NO: DWS15-1122WTE

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

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

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

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

**1. GENERAL CONDITIONS**

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

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

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



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

**5. BID DECLARATION**

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

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

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

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>

<b>Cooperative owned by black people</b>		
<b>Black people who are military veterans</b>		
<b>OR</b>		
<b>Any EME</b>		
<b>Any QSE</b>		

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

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1. ....</p> <p>2. ....</p>
--

<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE: .....</p> <p>ADDRESS .....</p> <p>.....</p> <p>.....</p>
--





TENDER NO: **DWS15-1122WTE**

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

**FORM P DECLARATION OF PROCUREMENT ABOVE R10 MILLION**

**DECLARATION OF PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)**

**For all procurement expected to exceed R10 million (VAT included), tenderers must complete the following questionnaire**

<p>1. Are you by law required to prepare annual financial statements for auditing?</p> <p>1.1 <i>If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years</i></p> <p>.....</p> <p>.....</p>	<p><b>YES/NO</b></p>
<p>2. Do you have any outstanding undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days?</p> <p>2.1 <i>If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days?</i></p> <p>2.2 <i>If yes, provide particulars</i></p> <p>.....</p> <p>.....</p>	<p><b>YES/NO</b></p>
<p>3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?</p> <p>3.1 <i>If yes, furnish particulars</i></p> <p>.....</p> <p>.....</p>	<p><b>YES/NO</b></p>

<p>4. Will any portion of goods or services be sourced from outside the Republic, and if so, what portion and whether any portion of payment from the municipality/municipal entity are expected to be transferred out of the Republic?</p> <p>4.1 <i>If yes, furnish particulars</i></p> <p>.....</p> <p>.....</p>	<p><b>YES/NO</b></p>
---	----------------------

**CERTIFICATION**

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Tenderer



**TENDER NO: DWS15-1122WTE**

**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

T2.2 VOLUME 3: CONTRACT DATA

**TENDER NO: DWS15-1122WTE**



**TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)**

**FORM OF OFFER**

FORM OF OFFER - RENDERING OF SERVICES  
(TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the latest scale of fee laid down by ECSA and SACAP as per Government Gazette. My offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Volume 1 – Tender Data
    - Volume 2 – Returnable Schedules
    - Volume 3 – Contract Data
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify) \_\_\_\_\_
  - (iv) \_\_\_\_\_
  - (v) \_\_\_\_\_
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid and that all professional services and disbursements will be invoiced in terms of the relevant institute tariff of fees.
  
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
  
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

WITNESSES	
1	.....
2	.....
DATE:	.....



TENDER NO: DWS15-1122WTE

TENDER FOR THE APPOINTMENT OF PROFESSIONAL SERVICES PROVIDERS (PSP)

FORM OF ACCEPTANCE

FORM OF ACCEPTANCE - RENDERING OF SERVICES  
(TO BE FILLED IN BY THE PURCHASER)

- 1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
- 2. An official order indicating service delivery instructions is forthcoming.
- 3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PREFERENCE POINTS CLAIMED FOR B-BBEE GOALS	FORM OF REMUNERATION

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

Empty box for official stamp

WITNESSES

1 .....

2 .....

DATE: .....

# **THE NATIONAL TREASURY**

**Republic of South Africa**



---

## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

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

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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



## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

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

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

## **3. General**

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

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

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

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

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

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

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

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

**9. Packing**

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

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

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

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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



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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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