



water & sanitation

DW 106

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

DUE AT 11:00 ON

05 MAY 2015

(CLOSING DATE)

W10961

Appointment of Suitable Contractors to Implement the Rural Household Infrastructure Sanitation Programme in Identified Municipalities in Five (5) Provinces

SUBMIT TENDER DOCUMENT

TO

POSTAL ADDRESS:
DIRECTOR-GENERAL: WATER AND
SANITATION
PRIVATE BAG X 313
PRETORIA,0001

OR

TO BE DEPOSIT IN:
THE TENDER BOX AT THE ENTRANCE
OF ZWAMADAKA BUILDING
157 FRANCIS BAARD STREET
(FORMERLY SCHOEMAN STREET)
PRETORIA,0002

TENDERER: (Company address and stamp)

COMPILED BY:
DEPARTMENT OF WATER AND SANITATION:

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/PUBLIC ENTITY)

BID NUMBER: W10961

CLOSING DATE: 05 May 2015

CLOSING TIME: 11:00

DESCRIPTION: Appointment of Suitable Contractors to Implement the Rural Household Infrastructure Sanitation Programme in Identified Municipalities in Five (5) Provinces

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS MAY BE POSTED TO:

POSTAL ADDRESS: DIRECTOR-GENERAL: WATER AFFAIRS
PRIVATE BAG X 313
PRETORIA, 0001

OR

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)
THE TENDER BOX AT THE ENTRANCE
OF ZWAMADAKA BUILDING
157 SCHOEMAN STREET
PRETORIA, 0002

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

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

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

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

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODE.....NUMBER.....

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)

YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)

YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR.....

A REGISTERED AUDITOR

[TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES or

NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Water Affairs

Contact Person: Mr. Syabonga Ngidi

Tel: 012 336 6611

E-mail address: ngidis@dwa.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr. Andre van der Walt or Mr. Herman Shokane

Tel: 012 336 8370 or 012 336 6549

E-mail address: vanderwalt2@dws.gov.za or shokaneh@dwaf.gov.za

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number: W10961
Closing Time 11:00	Closing date: 05 May 2015

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

Bill of quantities for Ventilated Improved Pit Latrines (VIP Toilets)

ITEM	Spec	DESCRIPTION	UNIT	QUANTITY	RATE	AMOUNT
1		PART I: PREMINARY AND GENERAL				
1.1		Establishment and removal (Rate to include all facilities for the contractor)	Sum	1		
1.2		General site running costs (rate to include compliance with OHS safety requirements)	Sum	1		
		TOTAL PART I CARRIED TO SUMMARY				
2		PART II: SITE PREP EXCAVATIONS AND BACKFILL				
		Clear and grub site completely of all vegetation, rubbish, shrubs, trees and remove all trees of all sizes, debris, fences etc, and dispose on a site located by contractor and approved by department Excavate to spoil all material (including soft, intermediate and hard material) to accommodate bottom structure below. Allow for working space and backfill on completion. There will be no re-measurement of the volume to be done on this item.	No.			
		TOTAL PART II CARRIED TO SUMMARY				
3		PART III: BOTTOM STRUCTURE				
		Build bottom structure with brick (or other approved material). Must be adequately reinforced and to have a volume of >2.5m ³ . Dimension can vary according to site but approval must be obtained from Department	No	1		
		TOTAL PART III CARRIED TO SUMMARY				
4		PART IV: SUPERSTRUCTURE				
4.1		Supply and install precast structure (alternatively build top structure to completion with suitable and approved material)	No	1		
		TOTAL PART IV CARRIED TO SUMMARY				
5		PART V: HEALTH AND HYGIENE TRAINING				
5.1		Conduct health and hygiene training (to comply with norms and standards of the Department of Water and Sanitation- Baseline survey, Pre, during and Post construction phases)	Sum	1		
		TOTAL PART V CARRIED TO SUMMARY				

PRICING SUMMARY

RATES PER UNIT

PART I: PREMINARY AND GENERAL

PARTII: SITE PREP, EXCAVATIONS and BUCKEFILL

PARTIII: BOTTOM STRUCTURE

PART IV: SUPERSTRUCTURE

PART V: HEALTH AND HYGIENE TRAINING

SUB TOTAL FOR UNIT

VAT 14%

TOTAL

- Required by:
- At:
- Brand and model
- Country of origin
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery:
*Delivery: Firm/not firm
- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

**TERMS OF REFERENCE FOR THE SOURCING OF SUITABLE
CONTRACTORS TO IMPLEMENT THE RURAL HOUSEHOLD
INFRASTRUCTURE SANITATION PROGRAMME IN IDENTIFIED
MUNICIPALITIES IN 5 PROVINCES FOR A PERIOD OF TWO YEARS
(2015/16-2016/17)**

1. PURPOSE OF THE PROGRAMME

The aim of the project is to appoint suitable contractors to implement the Rural Household Infrastructure Programme (RHIP) in 5 identified Provinces. This implementation process involves provisioning of construction capacity and social facilitation services in the implementation of the programme.

2. BACKGROUND

- 2.1 The delivery of safe and dignified basic sanitation services to the poor, especially in the rural areas of South Africa, has lagged behind more so than most other service delivery programmes due to the lower priority it has received in the past together with the associated capacity challenges of some municipalities in remote areas.
- 2.2 In 1994 there were 5,084 million households in South Africa without adequate sanitation and by March 2010 this backlog figure was reduced to 2,9 million. According to Statistics South Africa, 72% of this backlog is located in rural areas. Due to the rapid population growth and migration, particularly in the urban areas, this backlog has increased by 2,2 million households in both formal settlements and informal settlements.
- 2.3 When referring to basic-on-site sanitation it is important to note that sanitation is not only the associated infrastructure, but it also refers to health and hygiene as per definition of sanitation in the White Paper on Basic Household Sanitation September 2001, approved by Cabinet: *“Sanitation” refers to the principle and practices relating to the collection, removal or disposal of Human excreta, household wastewater and refuse as they impact upon people and the environment. Good sanitation includes appropriate health and hygiene awareness and behaviour and lastly acceptable, affordable and sustainable sanitation services”.*
- 2.4 Government has recognized the vital need to accelerate and provide basic services to the remote rural areas hence this programme. Since 2007, Government has identified rural development as one of the country's key priorities which National

Outcomes should be prioritized by various Ministries working in the space of rural development.

- 2.5 In response to the prioritization of rural development by government, National Treasury has established the Rural Household Infrastructure grant over the 2010/11 Medium Term Expenditure Framework (MTEF) period for the provision of on-site sanitation and water provision (where necessary) to rural communities. The strategic goal of the programme (Rural Infrastructure Household Grant) is to facilitate hands-on involvement of the beneficiaries so as to instil a culture of ownership of infrastructure thus creating sustainable communities. Furthermore, the grant seeks to alleviate poverty by implementing programmes through labour intensive methods of construction in the delivery of sanitation services.

3. OBJECTIVES OF THE PROGRAMME

- 3.1 The objective of the Terms of Reference is to invite proposals from suitably qualified Civil Contractors that have an excellent track record, in-depth understanding and competence of implementing large scale rural sanitation and water projects, to make proposals to participate in the implementation of the Programme. The fundamental objective of this project is to ensure that the Rural Household Infrastructure Programme eradicates existing household sanitation backlogs identified in rural municipalities.

4. BENEFITING MUNICIPALITIES

4.1 Proposed projects for the 2015/16 financial year.

Province	District Municipality	Municipality	Number of structures
EC	Joe Gqabi	Elundini	500
KZN	Ugu	Umzumbe	500
KZN	Amajuba	Dannhauser	500
KZN	Zululand	Nongoma	444
KZN	Uthungulu	Umlalazi	444
KZN	iLembe	Ndwedwe	444
Limpopo	Mopani	Greater Giyani	500
Limpopo	Mopani	Greater Letaba	444
Limpopo	Vhembe	Thulamela	500
Northern Cape	John TaoloGaetsewe	Ga-Segonyana	500
North West	NgakaModiriMolema	Ratlou	500
		Total	5278

4.2 Proposed projects for the 2016/17 financial year.

Province	District Municipality	Municipality	Number of structures
EC	Joe Gqabi	Elundini	555
KZN	Ugu	Umzumbe	555
KZN	Amajuba	Dannhauser	555
KZN	Zululand	Nongoma	555
KZN	Uthungulu	Umlalazi	592
KZN	iLembe	Ndwedwe	555
Limpopo	Mopani	Greater Giyani	666
Limpopo	Mopani	Greater Letaba	666
Northern Cape	John Taolo Gaetsewe	Ga-Segonyana	555
North West	Ngaka Modiri Molema	Ratlou	555
		Total	5,809

5. TASK DESCRIPTION

The implementation process will entail the following processes but not limited to:

- Implement the approved Business Plan/ work plan for the RHIP in Provinces where the programmes will be implemented in consultation with the relevant Water Services Authority (WSA),
- Ensure consensus with the municipalities on the scope of the sanitation and water projects to be implemented;
- Ensure that sanitation projects comply to the relevant Groundwater protocol study thus ensuring that projects are suitable for the implementation of the programme.
- Synchronization of all expertise required by the programme which include builders/ material suppliers/ social facilitators etc;
- On the selected sanitation solution, provide advice and facilitate a discussion/s and make relevant recommendations to the municipalities concerned where the projects will be implemented;
- Prioritize local communities and the use of building material and suppliers in the construction of sanitation facilities within the Expanded Public Works Programme (EPWP) framework;
- Manage construction of household sanitation;

- Report progress on deliverables to DWS as and when required;
- Develop a training module on operation and maintenance of household sanitation ;
- Undertake training with identified communities on Health and Hygiene as well as user education;
- Submit monthly progress reports and close out reports at the end of the financial year as well as at end of the programme.
- Develop after construction, a costed assets register for all projects;
- Ensure skills development is transferred to the personnel of the Department and the benefiting municipalities. A clear plan to be incorporated in Service Level Agreement.

6. MEASURABLE OBJECTIVES

The measurable objectives of the proposed assignment will be:

- Ensure that adequate social facilitation has been conducted (pre, during and post implementation) on issues of health and hygiene training, user education, Maintenance and Operations;
- Ensure that sanitation facilities (toilets) are constructed in accordance with the norms and standards to all designated households within the approved delivery programme;
- Ensure that adequate management and security capacity is available to deal with all project implementation permeations such as workmanship, sourcing of materials, delivery and security and quality of construction material facilitate and mediate consensus with WSAs and local municipalities, community leadership, beneficiaries etc.
- Ensure that job opportunities are created for local communities within the EPWP framework in the following categories:
 - Youth
 - Women
 - Disabled
 - SMME Development
- **Secondary objectives include:**
- Conduct Ground Water Protocol where necessary in Municipalities where the projects will be implemented;

o

7. TECHNICAL SPECIFICATIONS OF THE VENTILATED IMPROVED PIT (VIP)

7.1. OPERATING PRINCIPLES

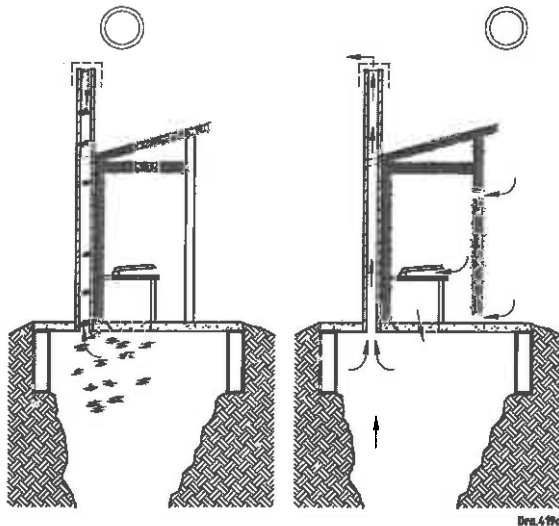
- No water is needed to operate a VIP toilet (i.e. there is no flushing).
- The pit should retain sufficient moisture for biological decomposition to occur, as the faecal matter will not break down if the pit is too dry and as a result the pit will fill up rapidly.
- The egress of water from the pit should be adequate to prevent the pit being filled up rapidly with faeces and urine.
- Provision should be made to access the pit of a VIP toilet through a removable slab around or in close proximity of the VIP toilet in order to empty it manually or per vacuum action when required. Alternatively it should be possible for the VIP toilet to be moved when the pit is full. Confirm with relevant municipality on whether the toilet should be a movable or permanent structure.
- Odour is removed from the pit through the action of wind blowing across the vent pipe and to a lesser extent by the air heating up on the inside of the vent pipe.
- Flies, which are attracted into the pit by the smell, are trapped by the fly screen at the top of the vent pipe as they try to escape to the light.

7.2. RECOMMENDED MATERIALS TO BE USED

- 9.2.1 The concrete should be capable of coping with the exposure conditions expected. Where necessary this will dictate cement and aggregate selection.
- 9.2.2 Air ventilation should be allowed to enter the superstructure through vent holes in the walls of the structure, above the door and roof of the structure, through the gap between the toilet lid and toilet seat, ventilation into the pedestal into the pit and out through the vent pipe.
- 9.2.3 The total ventilation opening areas for incoming air should be at least three times the cross-sectional area of the vent pipe.
- 9.2.4 Wind shear across the vent pipe is the main source of ventilation in the system.
- 9.2.5 The vent pipe should have a diameter of at least 110 mm, and should extend to at least 500 mm above the highest point of the roof.
- 9.2.6 The vent pipe should be manufactured from uPVC pipe, fibre cement pipe or cast iron.

7.3 FLY SCREEN

- The vent pipe should be covered with a mesh to prevent flies entering or leaving the pit.
- The mesh should be secured horizontally over the top of the vent pipe.
- The openings in the mesh should have a maximum size of 1 mm x 1 mm. Smaller openings will cause resistance to free air flow and larger openings allow insects to pass through to the pit.
- The mesh should be located in such a position that leaves will not accumulate on it.
- The mesh should be made of aluminium, stainless steel, glass fibre or other material resistant to corrosion from UV light, rust and the gases emanating from the pit.



a) Fly control

b) Ventilation

7.2.4 PIT STRUCTURE

- Dig pit between 2.5m to 3m deep and 1.2 m wide (circular or square) and line with bricks allowing gaps for water seepage
- Use alternative lining materials (bricks, maxi-bricks, local rocks) certified by SABS
- In the event of difficult soil / rock conditions, dig the pit shallower and broader – however maintain a minimum volume of 2.5 m³
- In the event of a raise pit, located partly above ground level – the above ground portion must not be porous
- Dig un-supported circular pits (where soil is firm), but still construct collar to support slab
- Seal lower section of pit where groundwater table rises during the wet season.
- Construct a shallower double pit with a non-porous division between the two compartments (for double-pit VIPs).

7.2.5 LOCATION

- VIP toilets should preferably be located downhill from a well or water source to prevent possible contamination of water sources. Where the pit has to be located uphill from the water source, it should be located at least 30 m away from it. (see SANS 10400-Q:2011).

- The toilet should be near the house but so positioned so as not to endanger the structure of any building or any services on the site or on the border of the site.
- The toilet should afford privacy of use by facing towards the house
- If practical more than one suitable location should be identified per stand where there is no pit emptying service rendered;
- Where the pit will be emptied by a vacuum tanker the toilet should be situated such that a vacuum tanker can approach and be within 30 m reach of the toilet and not more than 2 m above the pit.
- The toilet should not be built under or near trees.

7.2.6 PIT COLLAR

A collar should be installed in all pits to:

- a) prevent surface water or soil fines running into the pit;
 - b) support the cover slab and the mass of the users; and
 - c) support the mass of the superstructure if it rests on the slab.
- A collar should be impervious and extend to at least 500 mm below the top of the pit and at least 75 mm above ground level.
 - A collar should be surrounded by a cement-stabilised earth bank or a shaped earth drain.
 - The same material that would be used for a lining is suitable for a collar.

7.2.7 COVER SLAB

- The cover slab should generally be made of concrete;
- The minimum thickness of the slab panel is specified in Table 2. The mass of the slab should not exceed 150kg (to allow it to be moved by hand);
- The reinforcing should be specified in Table 2;
- Reinforcing have to be designed for a flat slab exceeding 1,5 m in span;
- A cover slab should have two holes to accommodate the pedestal and the vent pipe;
- The shapes and sizes of the holes should correspond with the shapes and sizes of the pedestal and the vent pipe;
- It can be circular or rectangular;
- A cover slab should be properly supported by the pit lining or pit collar by allowing an overlap of at least 75 mm on each side.
- Separate panels should be sealed against each other with a weak mortar mixture or window putty to obtain a fly-proof joint.

7.2.8 PEDESTAL AND TOILET SEAT

- Some beneficiaries may require a squatting plate as suppose to a toilet pedestal;
- In the event of a pedestal, it should have a smooth inside surface and be impervious to the penetration of water;
- Pedestals can be commercially fabricated with ceramic, polyethylene, glass reinforced plastics (GRP) and uPVC or can be fabricated on site with concrete, mortar or bricks but must be certified by SABS for use.
- Concrete or mortar pedestals should be painted with a waterproof paint.
- The inside walls should be vertical or splayed slightly outwards from top to bottom (to minimize fouling).
- The inside walls should be located directly over the pit. A side chute is not recommended.
- The pedestal height should be between 350 mm and 450 mm.
- A toilet seat should be installed including a child-friendly toilet seat with a minimum internal dimensions of 200mm and 250mm to 300mm for adults.
- The surfaces of the toilet seat and lid should be smooth and free of obstructions.
- The hinges of the seat and lid should be corrosion-resistant.
- A gap should be provided between the toilet seat and lid for ventilation purposes.

7.2.9 SUPERSTRUCTURE

- The superstructure can be rectangular shaped, circular or spiral with or without a privacy wall (a screen wall makes a door unnecessary).
- The design of the superstructure should ensure privacy, comfort and protection against the weather.
- The design of the superstructure should allow for emptying the pit, if required. (manually or by vacuum).
- To reduce load on the cover slab, pit collar or lining, the superstructure can be offset. Any part of a wall that extends beyond the edge of the cover slab should be supported by a foundation.
- The vent pipe may be situated inside or outside of the superstructure.
- While the superstructure should allow indirect light to enter, the pit should be kept dark.
- The superstructure should be adequately fastened to the cover slab or the foundation.
- The roof should be waterproof and adequately fastened to the walls.
- The vent pipe should be adequately fastened to the superstructure.
- If the door opens outwards it is more prone to wind damage however the interior floor area will be smaller, thus reducing building costs as supposed to inward opening doors with larger floor areas and higher building cost;
- The minimum dimensions of a superstructure should be as specified inTable 2.
- The walls and roof can be constructed from bricks or prefabricated materials that are durable and weatherproof. The bricks to be supplied by local suppliers should conform to the SABS standards and approval. No local supplier should supply the bricks without the certification from SABS.

7.2.10 SUPERSTRUCTURE - ROOF

- Attach 2 of 1.8m corrugated iron sheets (0.55mm thickness) to a timber frame that is securely anchored to the walls.
- Enlarge roof size accordingly where larger superstructure has been built
- Use pre-fabricate fibre cement panel that is attached to the walls with specially positioned connectors
- Use alternative roofing materials, e.g. IBR or fibre-cement profiles
- Use of thatching (more suitable to circular toilet structures)

7.2.11 HAND-WASH FACILITY

- Where a water stand pipe is not available nearby, a small water tank should be provided attached or in close proximity to the super structure;
- The size of the water tank (bottle) ranges from 1L to 5L.

TABLE 2: SUMMARY OF RECOMMENDED MINIMUM DIMENSIONS

COMPONENT	RECOMMENDED MINIMUM DIMENSIONS	
Pit	Storage volume:	
	Pit to be emptied	2,0 m ³
	Freeboard:	0,5 m
Collar lining-stable soils	Ring depth:	500 mm
	Projection above ground level:	75 mm
	Slab support width:	75 mm
Slab	Thickness:	75 mm
	Overlap on collar:	75 mm
	Reinforcement if span is < 1,5 m:	
	In underside of slab	
Concrete cover over reinforcement	25 mm	
Type: 8 mm bars, 250 c/c each way, or		
Ref 193 steel mesh, or		
4 mm roofing wire, 150 c/c		

Pedestal	Height from floor:	350 mm to 450 mm
Seat	For children	200 mm diameter
	For adults	250 mm to 300 mm
Superstructure ^{c)} (on site constructed)	Internal height:	1,9 m
	Internal width:	0,9 m
	Internal length, door opening outwards:	1,2 m
	Internal length, door opening inwards:	2,0 m

Door	Height:	1,5 m
	Width:	0,7 m
Vent pipe	Diameter:	100mm or 110 mm
	Extending above roof:	500 mm
Fly screen	Openings:	1 mm x 1 mm

SANITATION SOLUTION	DESIGN PARAMETERS						
	Permanent Structure	Movable Structure	Panels	Brick	Alternative Material	Water Connection	Sewer Connection
VIP Toilets (Single Pit)	X	X	X	X	As per the guidelines	-	-
VIP Toilet (Double Pit)	X	-	X	X		-	-

- Should a bidder propose the construction of a double pit toilet, kindly provide the department with technical specifications for approval prior the commencement of construction.
- The Department reserves the right to instruct the Bidder to install single or double pit toilet at its discretion.

8. DURATION OF ASSIGNMENT

The assignment will run over a period of two financial years however; suitable contractors will be appointed per annum or financial year and or as and when required starting from 2015/16 to 2016/17.

9. CONTROL MECHANISMS

Participation in a formal communication structure in the form of a Steering Committee is essential thus ensure that the delivery requirements are met by all the appointed contractors, reporting on progress as well as supporting the Department in the execution of this programme.

- **Reports**

Progress reports in respect of the project will be provided on a monthly basis. The Department Water and Sanitation should timeously be advised of the challenges encountered during the implementation process of the project for possible intervention.

- **Quality Assurance**

The Department of Water and Sanitation will be the project owner and is responsible for the quality assurance of the sanitation facilities delivered as well as project information. This information can be released by the Department of Water and Sanitation for publication as and when required.

10. COPYRIGHT AGREEMENT

A contract for this project will only be awarded on condition that all information, reports and plans both print and electronic as well as the system that may have been designed specifically for this project, in whatever format, remain the property of the Department of Water and Sanitation. To this effect therefore, the appointed service provider will be required to sign a confidentiality agreement.

11. EVALUATION CRITERIA

Department of Water and Sanitation will evaluate all proposals in terms of the Preferential Procurement Regulations 2011. A copy of the Preferential Procurement Regulations 2011 can be downloaded from www.treasury.gov.za. In accordance with the Preferential Procurement Regulations 2011, submissions will be adjudicated on 90/10 points system and

the evaluation criteria. A three phase evaluation criteria will be considered in evaluating the bid.

PHASE 1: ADMINISTRATIVE COMPLIANCE: (MANDATORY REQUIREMENTS)

Bidders must meet all the below mentioned requirements and submit the required documentation.. Bids without the requirements and or conditions, SHALL be disqualified from further consideration.

The suitable contractor to be appointed should meet the following requirements:

- **Valid Tax clearance;**
- **Compulsory Briefing Session**
- **Company Registration Documentation**
- **CIDB Grading not lower than Level 5 (CE) and or (GB)**

Phase 2: Functional/technical Evaluation

The BOQ questionnaire is the 2nd phase evaluation of the proposals.

Bidders are required to complete the BOQ in full. Failure to complete comprehensively will result in your bid being disqualified,

Phase 3: The 90/10 Principle based on Price and BBBEE status level contributor.

- **Price: 90 points**
- **BBBEE:10 points**

Points awarded for B-BBEE Status Level of Contribution

In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)
1	10
2	9
3	8
4	5
5	4

6	3
7	2
8	1
Non-compliant contributor	0

12. PAYMENT PROCEDURES

The Bidder will be expected to submit a valid Tax invoice based on the agreed and achieved milestones. Payment of the invoices will be honoured once the client has satisfied itself of the quality of the work done thereafter payment will be made within 30 days of the receipt of the invoice.

- **Cost to be calculated per Sanitation Structure (Toilet Structure);**
- **Cost be divided into milestones for payment**
- **Milestone 1: Pit Excavation**
 - **Milestone 2: Social facilitation and Health and Hygiene Phase 1 (Pre-Construction) conducted**
 - **Milestone 3: Assembling of Superstructure and hand washing facility;**
 - **Milestone 4: Health and Hygiene Phase 2 (During Construction) conducted**
 - **Milestone 5: Close-out report, asset register, happy letters and Health and Hygiene Phase 3 completed.**

13. GENERAL CONDITIONS

Tenders will be valid for a period of 90 days. **All submitted Proposals/ Business Plans should be VAT and disbursement inclusive.** The date of rendering the services will be agreed upon between the Department of Water and Sanitation and the successful Service provider.

Service provider must furnish the following information as comprehensively as possible:

- The name of the Contractor;
- Head Office address;
- Telephone and fax numbers; and
- Curriculum vitae of the project team (technical / engineers and social facilitators).
- **BIDDER TO INDICATE ON THE BID DOCUMENT THE NAME OF THE PROVINCES FOR WHICH THEY ARE BIDDING FOR.**

During the evaluation period, tenders/ contractor may be requested to clarify tenders submitted. Such information required by the Department of Water and Sanitation must be supplied free of charge.

The Bidder will be expected to submit a valid Tax invoice based on the agreed and achieved milestones. Payment of the invoices will be honoured once the client has satisfied itself of the quality of the work done thereafter payment will be made within 30 days of the receipt of the invoice

16. GENERAL CONDITIONS

Tenders will be valid for a period of 90 days. All bids should be VAT and disbursement inclusive. The date of executing the services will be agreed upon between the Department of Water and Sanitation and the successful bidder.

The Department is under no obligation to accept any of the tender proposals or to appoint the Bidder with the lowest quote. Furthermore, project figures may vary due to adjustment. .

- Bidders are requested to provide a clear agreement regarding joint venture/consortia. The percentage involvement of each company in the joint venture agreement should be indicated on the agreement. A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- Bidders are required to submit valid certified B-BBEE Status Level Verification Certificates together with their bids, to substantiate their B-BBEE rating claims.
- A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- Fraudulent practices shall result in immediate disqualification.

COMPULSORY INFORMATION SESSION

A compulsory information / briefing session will be held at the Department of Water and Sanitation in the following four provinces with the below attached venue and date:

22/04/2015	Free State (Bloemfontein) at 10h00 Northern Cape (Kimberly) at 14h00
23/04/2015	North-west (Mmabatho) 11h00
24/04/2015	Limpopo (Polokwane) 09h00 Mpumalanga (Nelspruit) 15h00
28/04/2015	KZN (Durban) at 09h00 Eastern Cape (East London) at 14h00

The physical addresses are as follows:

Free State Province
Department of Water and Sanitation
1st Floor Room 100-104
Old Sanlam Building
Maitland Street
Bloemfontein
9300

Northern Cape Province
Department of Water and Sanitation
28 Central Road
Beaconfield
Kimberly
8301

North West Province

Department of Water and Sanitation
Unit 99 ground floor
Mega City Complex
Mmabatho
2735

Eastern Cape Province

Department of Water and Sanitation
2 Hargreaves Avenue,
King Williams Town
Old Radio Building
5600

Mpumalanga Province

Department of Water and Sanitation
Corner Brown and Paul Kruger Street
Nelspruit
1200

Kwa-Zulu Natal Province

Department of Water and Sanitation
Southern Life Building
88 Joe Slovo Street
3rd floor
Durban
4000

Limpopo Province

Department of Water and Sanitation
49 Joubert Street
Azmo Place
Polokwane
0699

17. ENQUIRIES

Programme Manager: Mr Andre Van Der Walt

Telephone: 012- 336 8370 **E-mail:**

vanderwalta2@dwa.gov.za

For SCM Enquiries

Syabonga Ngidi
Supply Chain Management
Tel: (012) 336 6611
Email: ngidis@dwa.gov.za

Patrick Mabasa
Supply Chain Management
Tel: (012) 336 7518
Email: mabasap@dwa.gov.za

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
- the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
- 2.1 Full Name of bidder or his or her representative:
- 2.2 Identity Number:.....
- 2.3 Position occupied in the Company (director, trustee, shareholder², member):
.....
- 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
.....
- 2.5 Tax Reference Number:
- 2.6 VAT Registration Number:
- 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means -

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:
Name of state institution at which you or the person connected to the bidder is employed :
Position occupied in the state institution:

Any other particulars:
.....
.....
.....

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

November 2011

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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, 2011.

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and

1.2 The value of this bid is estimated to not exceed R1 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- 2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** 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;
- 2.8 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **“non-firm prices”** means all prices other than “firm” prices;
- 2.13 **“person”** includes a juristic person;
- 2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or

bequeathed to a trustee to administer such property for the benefit of another person; and

- 2.18 “trustee” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

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

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm

9.2 VAT registration number :

9.3 Company registration number

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business?

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

WITNESSES:

1.

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

2.

DATE:.....
 ADDRESS:.....



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

This template must be completed by the bidder

TENDER NUMBER		
SERVICE /PROJECT DESCRIPTION		
NAME OF BIDDER		
TENDER AMOUNT		
BBBEE LEVEL		
COMPANY'S COMPOSITION OF EXISTANCE		
	% OWNERSHIP	TOTAL NUMBER
WOMEN		
PEOPLE WITH DISABILITIES		
BLACK MALES		
YOUTH		
PARTICIPATION IN PROJECT IMPLEMENTATION		
	TOTAL NUMBER	LEVEL OF PARTICIPATION (eg Project Management, Technical, Administrative)
WOMEN		
PEOPLE WITH DISABILITIES		
BLACK MALES		
YOUTH		

Please note that this information is for reporting purposes only, and will not prejudice the company in anyway nor will it be considered as an evaluation tool.

Name:.....

Position:.....

Signature:..... Date:.....

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

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.

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

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 (NIP) Programme** 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.

Js General Conditions of Contract (revised July 2010)