

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	WQ 9811 WTE	CLOSING DATE:	20 October 2020	CLOSING TIME:	11H00
DESCRIPTION	COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Documents also obtainable from: Department Water and Sanitation 2 <sup>nd</sup> Floor Praetor Forum Building (Tender box) 267 Lillian Ngoyi Street Pretoria 0001					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Mr S Goge		CONTACT PERSON	Ms SO Magubane	
TELEPHONE NUMBER	012 741 7376		TELEPHONE NUMBER	036 438 6211	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:goges@dws.gov.za">goges@dws.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:magubanes@dws.gov.za">magubanes@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:		OR	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		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<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.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
<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: .....



**DEPARTMENT OF WATER AND SANITATION  
REPUBLIC OF SOUTH AFRICA**

DUE AT 11:00 ON

(20 OCTOBER 2020)

**BID WQ 9811 (WTE)**

**COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAI  
ARE OFFICE**

**COMPULSORY BRIEFING SESSION**

**Date:** 13 October 2020

**Time:** 11H00

**Venue:** Department of Water and Sanitation Tugela Vaal  
01 Kiepersol Avenue  
Jagersrust  
Bergville

**SUBMIT BID DOCUMENTS TO:**

THE BID BOX AT ENTRANCE OF:

1<sup>st</sup> Floor Praetor Forum Building  
267 Lillian Ngoyi Streets, Pretoria 0001

BIDDER: (Company address and stamp)

**DEPARTMENT OF WATER AND SANITATION**

**BID WQ 9811 (WTE)**

**COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE**

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# DEPARTMENT OF WATER AND SANITATION

BID WQ 9811 (WTE)

COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE

## **SECTION 1: LEGALITIES**

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1. Instructions to Bidders
2. Declaration of Interest (SBD 4)
3. Declaration of Bidders Past Supply Chain Management Practices (SBD 8 and 9)
4. Preference Points Claim in terms of the Preferential Procurement Regulation, 2017 (SBD 6.1)
5. Instructions to Bidders: Purchases (ANNEXURE 7)

# DEPARTMENT OF WATER AND SANITATION

BID WQ 9811 (WTE)

COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE

## 1. INSTRUCTIONS TO BIDDERS

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11. The Department's right to decline any bid
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## INSTRUCTIONS TO BIDDERS

### 1. ISSUING OF DOCUMENTS

- (a) A complete sets of bid documents are issued to a prospective Bidder.
- (b) Bidders must satisfy themselves that the document is complete and conform to the index of this document. Should any figures or writing be indistinct or should any pages be missing from this document or should this document or the drawing(s) contain any obvious errors, the Bidders must immediately notify the Department in order to have any discrepancy rectified or clarified before submitting his bid. Such clarification will be valid only if made by the Department by means of formal amendment as described hereunder prior to the date of submission of bids. The Department may issue amendments to clarify or modify the Bid Documents. A copy of each amendment will be issued to each bidder and shall be acknowledged on the form issued with the amendments. No claim whatsoever will be entertained for faults in the bid price resulting from the above-mentioned discrepancies.
- (c) No alterations, omissions or additions shall be made to this document, but should it be deemed necessary to do so, the Bidder is at liberty to qualify his bid.
- (d) All Bidders shall be deemed to have waived, renounced and abandoned any conditions printed or written upon any stationery used by them for the purpose of or in connection with the submission of bids which are in conflict with the conditions laid down in this document.
- (e) Each page of the completed document that will be submitted should be initialled by the Bidder at the bottom of the page.

### 2. QUERIES WITH RESPECT TO THIS BID

Queries of a specific technical nature may be discussed personally or telephonically with N Buthelezi Telephone 036 438 6211 or may be directed in writing to: The Director: NWRI: Central Operations DEPARTMENT OF WATER AND SANITATION, Private Bag x 268 Pretoria 0001

### 3. COMPLETION OF BIDS

- (a) The bid must be signed on the Invitation to Bid form (SBD 1) annexed hereto with all blanks in the bid and the appendix filled in.
- (b) All spaces in the bid forms and other annexures shall be completed in full.
- (c) **SBD 3.1 in the bid document and the Pricing Schedule must be fully completed and priced out by the bidder. Failure to do so will deem your bid invalid.**
- (d) The bid documents shall not be separated in any way nor must any pages be detached from the original documents.

### 4. SUBMISSION OF BIDS

The Bid Document shall be completed, signed and submitted as follows:

- (a) The original Bid, together with a covering letter and supporting documents, shall be sealed in an envelope endorsed:

**"ORIGINAL BID FOR WQ 9811 WTE: COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE** and the name of the Bidder shall be clearly shown.

- (b) Bids sealed and endorsed as above, will be received by: The Supply Chain Management Office or may be deposit in the bid box at the entrance of the Praetor Forum Building 267, Lillian Ngoyi, Pretoria and not later than 11:00 on the date stipulated on the front cover of this document.

## 5. SIGNATURE ON BIDS

The Bid, if by an individual, must be signed by that individual or by someone on his behalf duly authorised thereto and proof of such authority must be produced. If the bid is by a Company it must be signed by a person duly authorised thereto by a Resolution of a Board of Directors a copy of which Resolution, duly certified by the Chairman of the Company is to be submitted with the bid.

The successful bidder will be required to submit a "Letter from the manufacturer" confirming the supply arrangement within 14 days after the approval of the bid.

If the bid is submitted by joint venture of more than one person and/or Companies and/or firms it shall be accompanied by the following:

- (a) The original or a notarially certified copy of the original document under which such joint venture was constituted which must define precisely inter alia the conditions under which the joint venture will function, its period of duration and the participation of the several constituent persons and/or companies and/or firms.
- (b) A certificate signed by or on behalf of each participating person and/or company and/or firm authorising the person who signed the bid to do so.

## 6. GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract, as attached shall be regarded as an integral part of the contract documents.

## 6. FORM SBD 1

The copy of Form SBD 1 (Invitation to Bid), annexed to these documents, must be completed and signed by the Bidder. **Failure to do so will deem your bid invalid.**

## 7. PREFERENCE POINT SYSTEM

Bidder desirous of claiming preference must fully complete and sign the Preference Certificate, Form SBD 6.1 or **no preference will be allowed**. A copy of your company registration forms must be submitted with the bid document.

### NOTICE TO ALL POTENTIAL BIDDERS

**PLEASE NOTE THAT PREFERENCE POINTS CLAIMED IN THE STANDARD BIDDING DOCUMENT PROVIDED WILL BE AUDITED BY AN INDEPENDENT PROFESSIONAL SERVICE PROVIDER. SUPPLIERS THAT PROVIDE INCORRECT OR FALSE INFORMATION REGARDING THE OWNERSHIP OF THEIR COMPANY, RUNS THE RISK OF BEING PROSECUTED WITH THE POSSIBLE RESTRICTION FROM PARTICIPATING IN CONTRACT WITH ANY DEPARTMENT IN THE SPHERE OF GOVERNMENT. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE CONTENT OF SBD 6.1, PARAGRAPH 8.10.**

## 8. BIDDERS TO COMPLY WITH DOCUMENTS

Where applicable, Bidders must allow in their Bids for all labour, material, machinery and everything necessary for the execution and completion of the Contract in accordance with the bid documents. No alterations may be made in the Invitation to Bid, Schedule of Quantities or other documents and the bid will be deemed to comply entirely with the terms of the documents.

## 10. TELEGRAPHIC BIDS

No bid forwarded by telegram, telex, facsimile, e-mail or similar apparatus will be considered.

## 11. THE DEPARTMENTS RIGHT TO DECLINE ANY BID

The Department does not bind itself to accept the lowest or any bid.

## 12. DEPARTMENT NOT LIABLE FOR BIDDER'S EXPENSES

The Department will not be held liable for any expenses incurred in preparing and submitting bids.



### 13. PAYMENTS UNDER THE CONTRACT

All payments due to the Bidder in terms of the contract will be done by means of Electronic Fund Transfer.

### 14. EVALUATION CRITERIA

Bids will be evaluated in accordance with the new Preferential Procurement Regulations, 2017, using 80/20 preference points system as prescribed in the Preferential Procurement Policy Framework Act (PPPFA, Act 5 of 2000). The lowest acceptable bid will score 80 points for price and a maximum of 20 points will be awarded for attaining the Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution. Bids received will be evaluated on the three (3) phases namely **Administrative Compliance**, **Technical compliance** and **Price and Preference Points Claimed**.

The evaluation committee will be following a phased approach during evaluation

#### Phase 1

##### **Administrative Compliance**

Bidders are required to complete and submit the following documents which should form part of the bid submitted by closing date

- a) Tax Compliant with SARS. To be verified through Central Supplier Database on the day of evaluation. Bidders must attach proof of Tax Compliant from SARS
- b) Completion, signing and submission of standard bidding document ( SBD 1 ,SBD 4, SBD 6.1,SBD 8,SBD 9)
- c) Submit Active registration with CIPC/ CIPRO.
- d) **Resolution/Authorization or Proxy letter to prove that the representative or signatory of the service provider/Institution is duly authorized to sign on behalf of the service provider/institution and must attach a certified ID copy of the person assigned**
- e) Indicate with an X comply or not comply with the required specifications)

COMPLY

NOT COMPLY

#### Phase 2 -MANDATORY COMPLIANCE- Omission to comply the bidder will be disqualification)

- a) Completion of pricing schedule ( SBD 3.1)

#### Phase 3

Evaluation of price and preference points claimed as set out in SBD 6.1

##### **B-BBEE Points**

Bidders should note that, points may be claimed for B-BBEE in terms of the preferential procurement Regulation, 2017. Such claim should be accompanied by either an **Original SANAS** accredited certificate or a **certified copy** of such a certificate to qualify for the points, sworn affidavit will be accepted.

### 15. REJECTION OF BID

Bids not complying with the above-mentioned requirements and specifications may be regarded as incomplete and may not be considered.

### 16. RESULTS OF BIDS

Results of non-acceptance of bids will be sent to individual unsuccessful bidders and particulars of accepted bids are published weekly in the Government Tender Bulletin.

**DEPARTMENT OF WATER AND SANITATION**

**BID WQ 9811 (WTE)**

**COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE**

**SECTION 2:           SPECIFICATIONS**

**CONTENTS**

1.     SPECIFICATION

## SPECIFICATIONS

(Clearly indicate with a YES or a NO in the below columns)

	SIZE	UNIT OF MEASURE	QTY	COMPLY	DO NOT COMPLY
<b>GOODS/SERVICES</b>					
<b>COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE</b>					
<b>PAYMENT</b>					
Payment will be made per order delivered to site. The Department reserves the right to check the quantities loaded at any time.					
Payment will not be made for consignment unless supported by delivery notes duly signed by the official checking the delivery.					
Payment will be done within 30 days of receipt and approval of original invoice by depositing the payment directly into the bank account of the successful bidder. No cash or cheque payment will be done.					
<b>ROAD CONDITIONS AND DISTANCE</b>					
Bidders are advised to acquaint themselves with roads, road conditions, distances, etc. on and to the site, before bidding.					
<b>COSTS</b>					
Bidders shall provide in their bid for all labour, plant, material, implements and vehicles necessary for the execution of the contract and all operating and maintenance costs in accordance with the bid documents.					
<b>DELIVERY</b>					
Delivery to site is required 7 days after receipt of an official order. It is a contractual requirement that the items be delivered as per indicated time frame after signing of the SBD7.1 by the successful bidder.					
The delivery address is: Tugela Vaal Area Office					
Deliveries may be made during the following working hours 7h30 to 16h00 from Monday to Thursday but not on the following days or periods:					
(i) Fridays 14h00 to Mondays 7h00					

Therewith I, \_\_\_\_\_ (Bidder's Name) declare that I have read, completed and understood the above specifications.\

**BIDDER'S SIGNATURE**

\_\_\_\_\_

## FUNCTIONALITY COMPLIANCE

Bidders must score at least **45 out of 70** in respect of functionality in order to qualify for advancement to the next phase. A bidder that scores less than **45 out of 70** will be regarded as submitting a non-responsive bid and will be disqualified.

The weight that will be allocated to each functionality criteria is as follows (unless otherwise stated):

The evaluators are to score the bidder on a scale given per item and use the scored value to determine the achieved weight of the criterion.

Criteria	Sub-Criteria	Points Value	Weight of Criterion	Bidder Score
<b>Ability and Capability</b>	Demonstrated skills and experience of each key personnel for this project; for example but not limited to, engineers, technicians, project managers, specialist artisans / foreman, artisans. (Attach 1 page resume of each key project team member indicating qualifications, experience, accreditation / affiliation)		40	
	Submission of organization and staffing proposals and CVs.			
	Bidders must submit the following academic qualification and proof of registration where professional bodies are required:			
	<ul style="list-style-type: none"> <li>▪ Professional registered Electrical Engineer or Technologist ( ECSA registered with MV and LV network design, installation and commissioning)</li> <li>▪ Electrical Protection Specialist registered with ECSA as Professional (Techni, Tech, Eng, Cert Eng (with experience in MV and LV installation and commissioning),</li> <li>▪ MV Authorized Technician, Specialist Artisan / Foreman (Electrical with MV and LV authorization for switching, linking, issuing permit, etc). Valid authorization must be attached.</li> <li>▪ Trade Tested Artisan (with wiremans licence)</li> </ul>			
	<b>Professional Electrical Engineer or Technologist</b>			
	7 Years or more experience	7		
	6 Years or more experience	6		
	5 Years or more experience	5		
	4 Years or more experience	4		
	3 Years or more experience	3		
	<b>Electrical Protection Specialist registered with ECSA as Professional</b>			
	7 Years or more experience	7		
	6 Years or more experience	6		
	5 Years or more experience	5		
	4 Years or more experience	4		
	3 Years or more experience	3		
	<b>MV Authorized Technician, Specialist Artisan / Foreman</b>			
	6 Years or more experience	7		
	5 Years or more experience	6		
	4 Years or more experience	5		
3 Years or more experience	4			
2 Years or more experience	3			

	<b>Trade Tested Artisan</b>			
	5 Years or more experience	6		
	4 Years or more experience	5		
	3 Years or more experience	4		
	2 Years or more experience	3		
	1 Years or more experience	2		
	Bidders must submit the following academic qualification and proof of registration where professional bodies are required:			
<b>Past Experience</b>	<p>Contactable reference evaluation Bidders must submit signed reference letter(s) from previous clients/employer. <b>Note that only completed projects will be accepted.</b> Relevant work experience in the following:</p> <ul style="list-style-type: none"> <li>▪ Electrical protection</li> <li>▪ MV Cable Joints and Termination</li> <li>▪ MV/LV Electrical Installation</li> <li>▪ Commission of large medium/high electric motors and transformers.</li> </ul> <p>Reference letter(s) must indicate the number of above listed projects successfully completed by the bidder.</p>		<b>30</b>	
	12 or more Completed projects	30		
	10 Completed projects	25		
	8 Completed projects	20		
	6 Completed projects	15		
	4 Completed projects	10		
<b>TOTAL</b>			<b>70</b>	

**DEPARTMENT OF WATER AND SANITATION**

**BID WQ 9811 (WTE)**

**COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL ARE OFFICE**

**SECTION 3: SBD 3.1 – PRICING SCHEDULE**

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PREAMBLE TO THE SBD 3.1 – PRICING SCHEDULE

SBD 3.1 – PRICING SCHEDULE

## PREAMBLE TO THE SBD 3.1 – PRICING SCHEDULE

### 4. GENERAL

The SBD 3.1 forms part of the Contract Documents and must be read and priced in conjunction with all the other documents which include the Conditions of Contract and all other Specifications in the bid document.

### 2. QUANTITIES REFLECTED IN THE PRICING SCHEDULE

The quantities given in the SBD 3.1 can be subject to change. **The Department reserves the right to only purchase one product per item or one item or none of the items in the pricing schedule.**

The validity of the contract will in no way be affected by differences between the quantities in the SBD 3.1 and the quantities finally certified for payment.

### 3. PRICING OF THE SCHEDULE

The rates to be filled in the SDB 3.1 should include all costs. All rates and amounts quoted in the SBD 3.1 shall be in Rand and shall include VAT.

### 4. CORRECTION OF ENTRIES

Incorrect entries shall not be erased or obliterated with correction fluid, use of correction fluid will invalidate your bid, but must be crossed out neatly. The correct figures must be entered above or adjacent to the deleted entry, and the alteration must be initialled by the Bidder, failure to initial where the correction was done will invalidate your bid.

**PRICING SCHEDULE  
(Firm Prices)**

**PRICING SCHEDULE FOR THE BID WQ 9811 (WTE)**

**COMMISSIONING OF PUMP 4 INTERGRATED SYSTEM AT DRIEL 2, TUGELA VAAL AREA OFFICE**

**THIS PRICING SCHEDULE MUST BE COMPETED IN FULL – FAILURE TO COMPLY WILL INVALIDATE YOUR BID**

All prices must include labour, etc.

**CLOSING TIME 11:00 ON: 20 October 2020**

**BID NO.: WQ 9811 (WTE)**

**NAME OF BIDDER: .....**

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

DESCRIPTION	UNIT PRICE	QTY	UNIT PRICE	BID PRICE
Commissioning of Pump 4 Integrated System at Driel 2, Tugela Vaal Area Office	Each	1	R.....	R.....
			Subtotal	R.....
			15% VAT	R.....
			Delivery	R.....
			<b>TOTAL BIDPRICE</b>	<b>R.....</b>

**NB: All prices must include travelling, labour cost etc.**

- Country of origin:
- Delivery basis.  
(See note hereunder)

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**To Site**

- **Period required for delivery after receipt of order:**
- Delivery period:
- Is the price firm?

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**\*FIRM / NOT FIRM**

**\*FIRM / NOT FIRM**



- Is the offer strictly to specification?

**\*YES / NO**

- If not to specification, state deviation(s)

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Pricing Schedule: Purchases (Firm prices)



# water & sanitation

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Department:  
Water and Sanitation  
**REPUBLIC OF SOUTH AFRICA**

# Scope of Work for commissioning of pump set 4 at Driel 2 Pump Station

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## **Background**

Pump set 4 at Driel Pump Station requires commissioning to bring it online. The motor for pump 4 is a 3 phase, 11 kV, 4840 kW star connected induction motor equipped with differential, overcurrent and earth fault protection. Electrical protection is provided by ABB SPAD 346 and SPAM 150C relays. The motor is equipped with power factor correction capacitor banks, motor control panel, SCADA systems (decommissioned).

Commissioning is a crucial part of system start-up, and commissioning exercise shall be carefully performed accordingly to ensure that the exercise does not disrupt pump sets 1 and 5 which are currently on production.

The commissioning of a system encompasses the individual testing of the related components, the verification of the component interconnection against the drawings, and the functional testing of the system as a whole. An understanding of the equipment involved and the modes of operation for a system are essential to the development of the system commissioning plan

## **Requirements by DWS from bidder**

Commissioning shall be performed by fully trained and competent staff to ensure that the work is done in a safe and efficient way.

The bidder shall together with the proposal submit portfolio of evidence, academic qualification and proof of registration where professional bodies are required, for a team which will be assigned to test and commission pump 4. The following personnel shall be required;

- Professional registered Electrical Engineer or Technologist ( ECSA registered with MV and LV network design, installation and commissioning)
- Electrical Protection Specialist registered with ECSA as Professional (Techni, Tech, Eng, Cert Eng (with experience in MV and LV installation and commissioning),

- MV Authorized Technician, Specialist Artisan / Foreman (Electrical with MV and LV authorization for switching, linking, issuing permit, etc.). Valid authorization must be attached.
- Trade Tested Artisan (with wireman's license)

The bidder shall submit list of completed projects with contactable references for validation and verification of previous relevant work done by the bidder. Only completed projects will be accepted. Bidders must submit signed reference letter(s) from previous clients/employer.

Relevant work experience shall include electrical protection, MV Cable Joints and Termination, MV/LV Electrical Installation, commission of large medium/high electric motors and transformers. The bidder shall attach signed reference letter(s) indicating projects successfully completed by the bidder.

The bidder shall submit a list of tools, equipment and valid calibration documents required to perform this work. The list of tools and equipment shall include the following:

- Primary and secondary plant injection equipment
- Proof of relay software

The bidder shall be required to compile and submit commissioning method statement as part of returnable documents

### **Planning and preparations**

The Department of Water and Sanitation will provide the following documentation to service provider prior to planning and commissioning.

- One-line (single-line) diagram.
- Block diagram
- Schematic (elementary) diagram
- Start and Control sequence
- Wiring diagram (connection diagram).
- Interconnection diagram.
- Circuit layout and routing diagram.

The service provider/bidder shall put in place all necessary safety and technical measures to ensure trouble-free commissioning. A detailed schedule must be agreed between the client (i.e. Department of Water and Sanitation) and service provider to ensure that the required resources are allocated. To achieve maximum efficiency, every on-site activity is planned by the service provider and includes customer-specific preparatory work, including:

- Planning on-site safety
- Preparing documents, required equipment, programming tools, software etc.
- Making travel arrangements

### **Pre-commissioning and commissioning**

Prior to energizing the system, the service provider shall be acquainted with operation and start sequence of the pump set 4 and integrated systems.

The installation consists of mechanical (i.e. pumps, valves, cooling water system, etc.) and electrical installations (i.e. auxiliary power transformers, VTs, CTs, actuators, generator, UPS, Cap bank, etc.) which shall be viewed as integrated system.

The commissioning and pre-commissioning tests shall be carefully planned so that they take place in a logical and efficient order before system start-up. Commissioning tests and in-service checks of protection system shall include the following:

- Analysis of the wiring diagrams to confirm the polarity of connections, positive and negative-sequence rotation, etc.
- A general inspection of the equipment, physically verifying all the connections, at both the relay and panel terminations

- Measurement of the insulation resistance of the protection equipment
- Review relay settings
- Inspection and secondary injection testing of the relays
- Testing current and voltage transformers
- Checking the operation of the protection tripping and alarm circuits
- Energizing of pump set which shall include energizing of equipment in specific order after all above testing is complete and evaluated.
- Service testing includes measurement of value and relationship of power, potential, and current on sources, busbar, feeders, and neutrals in the power system.

### Scope of Work

Item	Task	Equipment
1.	Analysis of the wiring diagrams to confirm the polarity of connections, positive and negative-sequence rotation, etc.	Pump set 4 Primary and secondary network
2.	General inspection of the equipment, physically verifying all the connections, at both the relay and panel terminations	Pump set 4 Primary and secondary network
3.	Fault finding and troubleshooting of pump set 4 electrical systems (i.e. motor, primary and secondary network, CT, VT, Cap bank)	Pump set 4 Primary and secondary network
4.	Measurement of the insulation resistance of the protection equipment	Pump set 4 secondary network
5.	Review relay settings	Electrical protection relays (SPAM 150C, SPAD 346C3, etc.)
6.	Inspection and secondary injection testing of the relays	Electrical protection relays (SPAM 150C, SPAD 346C3, etc.)

7.	Testing current and voltage transformers	Pump set 4 metering and protection CTs and VTs
8.	Checking the operation of the protection tripping and alarm circuits	Pump set 4 Primary and secondary network
9.	Energizing of pump set which shall include energizing of equipment in specific order after all above testing is complete and evaluated.	Pump set 4 Primary and secondary network
10.	Checking limit switches settings and operation of valve actuator. Ensure that valve actuator operates correctly.	Pump 4 delivery valve actuator
11	Checking limit switches settings and operation of valve actuator. Ensure that valve actuator operates correctly.	Pump 4 suction valve actuator

### **Additional work**

The Department of Water and Sanitation has made all efforts to ensure that scope of work is as detailed and accurate as possible. However, the service provider may pick up additional work/faults or repairs which may directly impact the commissioning of pump set 4. Such additional work/faults or repairs shall be documented and brought to the attention of DWS.

In addition to pump set 4 pre-commissioning and commission test, the service provider may be required work on integrated systems (i.e. incomers, bus coupler/sectionalizer) for the purpose of commissioning pump set 4.

For additional work/faults or repairs which may be picked up during fault finding and troubleshooting, and is not included in this scope of work, the service provider shall prepare assessment report, scope of work and quotation



for consideration by the Client. If there is work to be carried out on integrated systems, such work shall be approved by the Clients before work commences.

The service provider shall take all precautions to ensure that commissioning work on pump set 4, does not interfere with operations of pump sets 1 and 5. Each commissioning test shall be witnessed by DWS representative.

### **Commissioned Plant Handover**

The first few hours of operation is a critical and challenging period that needs great attention. The service provider and DWS team will monitor operations activities during this time.

The service provider shall run the pump set 4 continuously for at least 48 hours until broad satisfactory operation is achieved. The pump set will be handed over to DWS operations and maintenance team after 48 hours. DWS maintenance team run the pump set for at least another 48 hours before handing it over to DWS operations team.

This will mean that the pump set shall be considered commissioned after running continuously for 96 hours. The service provider shall then hand-over pump set 4 to DWS. The service provider shall ensure successful running of the pump within ten (10) days of receiving an official purchase order.

### **Commissioning Reports and Documentation**

When commissioning is completed, the service provider shall compile and submit to DWS comprehensive commissioning report, an updated settings list, connection table and circuit diagrams, and final versions of any

modified drawings and settings included in the installation. The commissioning report includes:

- Actions taken during commissioning
- Data from measurements
- Protection settings
- Summary with recommendations

### **Compulsory site briefing**

A compulsory clarification meeting with representatives of the Employer will take place at Driel Pump Station. Respondents failing to attend the compulsory site meeting and/or tender briefing shall be disqualified. PPE is mandatory (safety shoes/boots, earplugs, reflective vest). Bidders will not be allowed to attend the tender briefing/site meeting without the required PPE. The Bidder shall bear all costs associated with compulsory clarification meeting

All forms of firearms are prohibited on DWS properties and premises. The relevant persons attending the meeting must ensure that their identity documents, passports or drivers' licences are in their possession for inspection at the access control gates.

Bidders and their employees, visitors, clients and customers entering DWS sites might undergo COVID 19 screening.

### **Occupational Health and Safety**

The Occupational Health and Safety and Regulations (Act number 85 of 1993) is applicable. Construction, Driven Machinery, General Machinery, Electrical Installation, and Electrical Machinery Regulations have particular reference. The

contractor shall notify the Department of Labour, prior to commencing with the project. The contractor shall ensure that the provisions of the OHS are complied with for the duration of the project. The contractor prior to commencing on with the project shall submit:

- A comprehensive OHS file in accordance with the OHS Act.
- A detailed site specific risk assessment for review and acceptance;
- A detailed method statement for approval by the Project Manager;

All work shall be done in accordance with relevant legislation(s) and regulation(s). The DWS reserves the right to stop the contractor from executing work, which is not in accordance with the contractor's OHS plan for the site or which poses a threat to the health and safety of persons. The contractor may not appoint a subcontractor unless the contractor is reasonably satisfied that the subcontractor has necessary competencies and resources to perform work safely. Any subcontractor appointment shall be approved by the Project Manager. Where a contractor appoints a subcontractor, all OHS Act requirements shall be applicable to the subcontractor. The contractor shall appoint a full-time competent employee in writing as the project supervisor, with the duty of supervising the project.

When the contractor and employees are found contravening OHS Act, the DWS shall stop the work until such time that the contractor implements corrective measures to the satisfaction of the DWS.

### **Section 37.2 Appointment**

In accordance with the provisions of Section 37(2) of the Occupational Health and Safety Act 85 of 1993 wherein the Department of Water and Sanitation as Employer has entered into a contract with the Contractor, in terms of which the Contractor is to perform certain work and services for and on behalf of the Employer, subject to the terms and conditions as contained in such contract.

Then parties have agreed that in respect of performance of the work the Contractor shall be responsible for compliance with the Occupational Health &

Safety Act and its Regulations. The Employer and Mandatory accordingly enter in this agreement in terms of Section 37(2) of the OHS Act.

### **Risks Identified by the DWS**

The following are the risks associated with this project as identified by the DWS:

- Flooding
- Drowning
- Working at height
- Dehydration
- Falling
- Injury due to falling material
- Paint or chemical inhalation
- Injury due to hand tools
- Snake bite
- Falling due to slippery surfaces
- Failure of rigging equipment
- Noise due to grinding, blast cleaning, etc
- Hand arm vibration syndrome due to prolonged use of vibratory equipment
- Scaffold and climbing equipment collapse
- Airborne Fibres and Materials
- Electrocutation
- Moving Machinery
- Service gate or isolating equipment failure

- Overhead Crane failure
- Back injuries from carrying heavy loads
- Confined spaces

Notwithstanding the abovementioned risks the contractor shall formulate a risk management plan which will include additional risks identified by the contractor.

### **Lock Out**

Prior to decommissioning and commencement of any work, the contractor in conjunction with the Project Manager shall isolate and lock out intake line, valves, actuators, electrical equipment and all sources of energy relevant to the scope of work in accordance with the Occupational Health and Safety Act (OHSA).

### **Costs of OHS**

The cost for OHS shall be included in the Tendered rates.

### **Quality Control**

The quality of the work shall be assured in accordance with the DWS Quality Control Specification, that is, DWS 2020. Prior to commencing with the project the Quality Control Plan (QCP) shall be submitted to the DWS for review, acceptance and or approval.

All Plant shall be subject to inspection and testing by the Engineer at the Manufacturer's premises before despatch. No material shall be delivered to the Site without inspection having being carried out or waived by the Engineer in writing.

Inspection of equipment shall be carried out by the DWS representative or a nominated and approved inspection authority.

The DWS may employ an independent, technically qualified organisation to carry out quality surveillance of the work on his behalf. The inspection authority has the right to inspect any item covered in the Contract at any stage of execution of the Project.

The Manufacturer's material test data certification and the Contractor's quality records shall be subject to examination by the Engineer or his representative.

For the purpose of carrying out quality surveillance, the Engineer or his representative shall be granted access to any part of the Contractor's premises and Site relevant to the work being carried out, at any reasonable time.

### **Costs of Quality Control**

The cost for quality control shall be included in the Tendered rates.

When surveillance results in rejection or when notice by the Contractor results in a fruitless trip, the cost borne by the DWS shall be debited against the Contractor's account.

If additional inspections, tests and analyses requested by the DWS prove that the repair is in accordance with the Specification, the costs of the inspections and/or tests including transport will be defrayed by the DWS. However, should the additional investigations prove that the repair does not conform to the specifications; the costs shall be defrayed by the Contractor. The Project Manager shall have the right, without prejudice to any other legal remedy, to deduct such costs from payments due to the Contractor under the Contract.

Where Plant or services fail to meet the Contract requirements but are nevertheless accepted at an agreed revised rate, the costs with regard to inspections, test and analyses shall be for the Contractor's account unless otherwise directed by the DWS.

### **Non-Compliance with the Specification**

Plant, materials and services that do not conform to the requirements of this Specification shall be rejected.

Such rejected Plant shall be held at the cost and risk of the Contractor who shall, when called upon, and at his own cost, repair the defects according to the Contract.

Failing satisfactory repair of rejected equipment, the Plant shall be returned to the Contractor at his cost and risk without any opportunity to substitute the rejected Plant. Alternative Plant may be purchased at the Contractor's expense or an approved Contractor may be employed to do the repair.

Should the Contractor fail to comply with the provisions of this specification, the Certificate of Commissioning shall not be issued.

### **Modifications**

Any modifications or deviations from the specification shall be indicated on the form "Proposed Alterations to Specification". The Contractor shall make no changes or modifications to any part of the design or the plant offered under this Contract without the written approval of the Project Manager. The DWS shall not accept any additional cost for any part of this Contract if this procedure has not been followed.

### **Compliance with Standards**

When reference is made to a code, specification or standard, the reference shall be taken to mean the latest edition of the code, specification or standard; including addenda, supplements and modifications and revisions thereto, unless otherwise specified.

The materials and workmanship shall be in accordance with the appropriate Specification current at the time of manufacture unless otherwise specified.

Should the Contractor desire for any reason to deviate from the Standards specified or the aforesaid equal or better Standard, he shall submit for the Project Manager's approval a statement of the exact nature of the deviation, fully supported by copies of the equivalent Standard (in English) and complete Specification of the alternative materials proposed. It shall be the responsibility of the Contractor to demonstrate that any alternative Standards proposed are equal or superior to those specified.



## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

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.

<sup>1</sup>"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.

<sup>2</sup>"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 attached 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**



**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF  
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION  
PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

**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).
- 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) Either the 80/20 preference point system will be applicable to this tender

1.2 Points for this bid shall be awarded for:

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

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

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

1.4 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.

1.5 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.



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 least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		

Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

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

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

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

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

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as  
 indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in



paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

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

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

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

## 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?  <b>(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).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) 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)?  <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of 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 consortium<sup>3</sup> 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.

<sup>3</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.

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

## **Annexure A**

### **GOVERNMENT PROCUREMENT**

### **GENERAL CONDITIONS OF CONTRACT**

#### **NOTES**

The purpose of this document is to:

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

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

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



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## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections,  
tests and  
analyses**

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

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

**9. Packing**

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

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

**14. Spare parts**

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

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

**15. Warranty**

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

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



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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

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

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

**25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and