

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	DBE199	CLOSING DATE:	12 December 2024	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A PROFESSIONAL CONFERENCE ORGANISER FOR THE DEPARTMENT OF BASIC EDUCATION FOR A PERIOD OF THREE YEARS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
MAIN ENTRANCE / RECEPTION, SOL PLAAJIE HOUSE					
DEPARTMENT OF BASIC EDUCATION					
222 STRUBEN STREET					
PRETORIA					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Ms N Metula		CONTACT PERSON	Ms R Chiloane	
TELEPHONE NUMBER	012 357 3134		TELEPHONE NUMBER	012 357 3089	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	tenders@dbe.gov.za		E-MAIL ADDRESS	Chiloane.R@dbe.gov.za	
<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
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<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.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN 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:

.....

## **NOTICE TO ALL PROSPECTIVE BIDDERS**

BID NO : DBE199  
CLOSING DATE : 12 December 2024  
TIME : 11:00

**Non-compulsory briefing session will be held as follows**

DATE : 19 November 2024  
VENUE : Microsoft Teams  
TIME : 10:00 until 11:00  
CONTACT PERSON : Ms Nthabiseng Metula  
TEL : (012) 357 3134

**Bidders who are interested in joining the session should send their email address to Tenders@dbe.gov.za, a day before the date of the session for logistics purposes. The due date is 18 November 2024**

## 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: <b>DBE199</b>
Closing Time: <b>11:00</b>	Closing date: <b>12 December 2024</b>

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
		Appointment of a Professional Conference Organiser for the Department of Basic Education for a period of (3) three years. <b>Refer to paragraph 8.4 of the Terms of Reference.</b>	R.....

- 
- 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.



**basic education**

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

## **TERMS OF REFERENCE**

**TERMS OF REFERENCE TO APPOINT A PROFESSIONAL CONFERENCE  
ORGANISER FOR THE DEPARTMENT OF BASIC EDUCATION FOR A  
PERIOD OF THREE (3) YEARS**

# **TERMS OF REFERENCE TO APPOINT A PROFESSIONAL CONFERENCE ORGANISER FOR THE DEPARTMENT OF BASIC EDUCATION FOR A PERIOD OF THREE (3) YEARS**

## **1. BID DESCRIPTION**

The appointment of a Professional Conference Organiser (PCO) for the Department of Basic Education (DBE) for a period of three (3) years.

## **2. AIM**

To appoint a suitable PCO for the DBE for a period of 3 years.

## **3. BACKGROUND**

The DBE requires a PCO who will with due consideration attend to all of the DBE's requirements, manage and arrange events on behalf of the DBE which will include conferences, workshops, and meetings for the DBE for a period of 3 years.

## **4. SCOPE OF WORK**

4.1 The PCO will be required to:

4.1.1 manage and organise events which include conferences, workshops and meetings and to make all relevant **logistical arrangements** (e.g. travel, accommodation, catering), **develop concept design documents** as well as the **draft budgets** for events, assisting DBE officials, **as and when approved by the Director General**.

4.1.2 negotiate discounts on standard tariffs for all services.

4.1.3 contract all required services related to the events on behalf of DBE and make all the payments to the sub-service providers after the successful completion of the events.

- 4.1.4 manage and organize virtual or hybrid events instead of face-to-face events when required by the DBE.
- 4.1.5 provide the services countrywide and worldwide that will include the service requirements as outlined in (5) below:

## **5. SERVICE REQUIREMENTS**

### **5.1 General**

The PCO will be required to:

- 5.1.1 Provide professional conference organising services.
- 5.1.2 Provide conference organising to all officials who obtained approval from the Director-General.
- 5.1.3 Provide professional conference organising during official working hours and after hours when required.
- 5.1.4 Adhere to the e current DBE policies and implementation of controls to ensure compliance.
- 5.1.5 Manage all appointed service providers by addressing, amongst others, service failures and complaints against these service providers.
- 5.1.6 Consolidate all invoices from the appointed service providers within the agreed timeframe.

### **5.2 Reservations**

5.2.1 The PCO will:

- (i) Receive conference requests from the DBE, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval from the DBE, the PCO will issue the required vouchers immediately and send it to the service providers.
- (ii) make the most cost-effective conferencing arrangements as prescribed in the DBE policies.
- (iii) Apprise itself of all travel requirements for destinations to which travelers will be travelling and advise the travelers of alternative

plans that are most cost effective and more convenient where necessary.

- (iv) Obtain a minimum of three (3) price comparisons for all event logistical services.
- (v) Book the negotiated discounted fares and rates where possible.
- (vi) Keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveler's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- (vii) Book parking facilities at the venues where required for the duration of the event.
- (viii) Timeously and accurately process all queries, requests, changes and cancellations.
- (ix) Facilitate group bookings (e.g. for departmental delegation attending meetings, conferences and events).
- (x) Issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
- (xi) Advise the traveler(s) of all visa and inoculation requirements well in advance.
- (xii) Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- (xiii) Facilitate the bookings that are generated through their own- or third-party online booking tool (OBT) where it can be implemented.
- (xiv) Ensure confidentiality in respect of all travel arrangements concerning all persons requested by the DBE.
- (xv) Submit proof that services have been satisfactorily delivered (invoices) as per the DBE instructions.

### **5.3 Air Travel**



- 5.3.1 The PCO must be able to book full-service carriers as well as low-cost carriers.
- 5.3.2 The PCO will book the most cost-effective airfares possible for domestic travel in line with the DBE policies.
- 5.3.3 For international flights, the airline which provides the most cost effective and practical routings should be used.
- 5.3.4 Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and reach travel bookers promptly after booking and before departure times.
- 5.3.5 The PCO will also assist with the booking of charters for VIPs utilising the existing transversal term contract of Government where applicable as well as the sourcing of alternative service providers for other charter requirements.
- 5.3.6 The PCO will be responsible for the tracking and management of unused e-tickets as per the agreement with the institution and provide a report to the DBE.
- 5.3.7 The PCO must, during the report period provide proof that bookings were made against the discounted rates on the published fares where applicable.
- 5.3.8 The PCO must ensure that travelers are always informed on any travel news regarding airlines (like baggage policies, checking in arrangements, etc.).

#### **5.4 Accommodation**

- 5.4.1 The PCO must obtain price comparisons within the maximum allowable rate matrix and per the cost containment instruction of the National Treasury.
- 5.4.2 The PCO must obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveler(s). This includes planning,

booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or bed & breakfast) in accordance with the DBEs policies.

5.4.3 Accommodation vouchers must be issued to all the DBE traveler(s) with the cancellation policy for the particular accommodation bookings and must be invoiced to the DBE as per arrangements. Such invoices must be supported by a copy of the original hotel accommodation charges.

5.4.4 Cancellation of accommodation bookings informed by the DBE must be done immediately to guard against no show and late cancellation fees.

## **5.5 Car rental and shuttle services**

5.5.1 The PCO must book the approved category of vehicle with the appointed car rental service provider from the closest rental location (airport, hotel and venue) in accordance with the DBE Policies

5.5.2 The travel consultant should advise the traveller on the best time and location for collection and return considering the traveller's specific requirements.

5.5.3 The PCO must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refueling, keys, rental agreements, damages and accidents, etc.

5.5.4 For international travel the PCO must book the most effective travel service.

5.5.5 The PCO will book transfers (including bus and coach services) for the traveller(s) with the appointed and/or alternative service providers in line with the DBE Policies.

5.5.6 The PCO must manage shuttle companies on behalf of the DBE and ensure compliance with minimum standards. The PCO must also assist in negotiating best rates with relevant shuttle companies.

5.5.7 The PCO must, during their report period, provide proof that negotiated rates were booked, where applicable.

## **5.6 Technology, Management Information and Reporting**

- 5.6.1 The PCO must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- 5.6.2 The implementation of an Online Booking Tool to facilitate bookings must be considered on request by the department to optimize the services and related fees.
- 5.6.3 The PCO will be required to provide the DBE with a minimum of three (3) standard monthly reports that are in line with the National Treasury's cost containment instructions reporting template requirements. The reports must be submitted without additional costs to the DBE. The reporting templates can be found on <http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountantGeneral.aspx>.
- 5.6.4 Reports must be accurate and be provided as per the DBE's specific requirements at the agreed time. Information must be available on transactional level that reflect detail including the shuttle services and accommodation.
- 5.6.5 In addition to the monthly report, the DBE may request the PCO to provide additional management reports at no costs to the DBE.
- 5.6.6 Reports must be available in an electronic format for example Microsoft Excel spreadsheet.
- 5.6.7 Reports must be provided as indicated in par 5.6.3 read with 6.1.5 (i) and must include, but not be limited to the following:
- (i) Travel
    - (a) After hours' Report;
    - (b) Compliments and complaints;
    - (c) Consultant Productivity Report;
    - (d) Long term accommodation and car rental;
    - (e) Extension of business travel to include excursions;
    - (f) Upgrade of class of travel (air, accommodation and ground transportation); and

- (g) Bookings outside DBE Policies.
- (ii) Finance
  - (a) Reconciliation of commissions/rebates or any volume driven incentives;
  - (b) Creditor's ageing report;
  - (c) Creditor's summary payments;
  - (d) Daily invoices;
  - (e) No show report;
  - (f) Cancellation report;
  - (g) Receipt delivery report;
  - (h) Monthly Bank Settlement Plan (BSP) Report;
  - (i) Refund Log;
  - (j) Open voucher report, and
  - (k) Open Age Invoice Analysis.

5.6.8 The PCO must implement all the necessary processes and programmes to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

5.6.9 The PCO must be able to arrange virtual meetings live events, or hybrid events instead of face-to-face events when required by the DBE.

## **5.7 Account Management**

5.7.1 An Account Management structure must be put in place to respond to the needs and requirements of the DBE and act as a liaison for handling all matters regarding delivery of services in terms of the contract.

5.7.2 The PCO must appoint a dedicated Key Account or Business Management personnel that is ultimately responsible for the management of the DBE account. (Key Accounts, Team Leader, Dedicated Flights consultant, 4 consultants and a dedicated payment consultant)

- 5.7.3 The necessary processes should be implemented to ensure good quality management and always ensuring traveler satisfaction.
- 5.7.4 A complaint handling procedure must be implemented to manage and record the compliments and complaints of the PCO and other travel service providers.
- 5.7.5 The PCO must ensure that the DBE's Travel Policy is enforced.

## **5.8 Value-added Services**

- 5.8.1 The PCO must provide the following value-added services:

Destination information for regional and international destinations:

- (i) Health warnings;
- (ii) Weather forecast;
- (iii) Places of interest;
- (iv) Visa information;
- (v) Travel alerts;
- (vi) Location of hotels and restaurants;
- (vii) Information on public transport including the cost;
- (viii) Business etiquette specific to the country;
- (ix) Airline baggage policy;
- (x) Supplier updates;
- (xi) Electronic voucher retrieval via web and smart phones;
- (xii) SMS notifications for travel confirmations;
- (xiii) Travel audits; and
- (xiv) Global Travel Risk Management.

## **5.9 Quarterly and Annual Event Reviews**

- 5.9.1 The PCO is required to provide quarterly reviews to be presented by the PCO on all the DBE travel activities in the previous three-month period. These reviews are comprehensive and should be presented to the DBE as part of the performance management reviews.

5.9.2 These Event Reviews will include but are not limited to the following information:

- (i) Expenditure on air travel;
- (ii) Expenditure of accommodation;
- (iii) Expenditure on vehicle rental;
- (iv) Expenditure on shuttle services;
- (v) Catering;
- (vi) Technical services;
- (vii) Production services; and
- (viii) Other event services.

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#### **5.10 Office Management**

5.10.1 The PCO must ensure high-quality service to be delivered at all times to the DBE's traveler(s). The PCO is required to provide the DBE with relevant highly skilled and qualified human resources.

5.10.2 The services of the PCO must be an on-site service.

#### **5.11 On-site Facilities**

5.11.1 The DBE will provide the PCO with the following facilities on the terms and conditions negotiated upon by both parties:

- (i) Office space;
- (ii) Telephones (account for the PCO);
- (iii) IT infrastructure (cabling) for PCO;
- (iv) Direct line (can be used for fax machine); and
- (v) Bathroom and kitchen facilities.

### **6. DELIVERABLES AND TIMELINES**

6.1 The DBE's required deliverables for national or international events include the following:

The PCO must:

6.1.1 Concept Designs:

provide the DBE with a concept design document for every event which will reflect the brief and specifications as provided by the DBE.

6.1.2 Event Budgets:

Provide the DBE with a draft budget for every event.

6.1.3 Venues for the events:

- (i) Book venues and amend venue bookings with any hotel group, private hotel, conference centre or other available concerns, for example guesthouse or boarding house, where such a requirement is referred to the conference organiser.
- (ii) Make all the logistical arrangements for the events.
- (iii) Negotiate discounts on standard tariffs or reduced tariffs with all available hotel groups, private hotels, conference centres or other establishments.
- (iv) Pay all deposits required by third parties on behalf of the DBE.

6.1.4 Support services:

Make personnel from the PCO available on seven days a week, 24 hours per day basis (24/7) so that as when required, unexpected changes can be made to activities related to the conference plan.

6.1.5 Reporting and payment of invoices:

- (i) Management reports: Management reports must be submitted before the last day of the following month on detailed expenses per completed month for each service per event, inclusive of all savings. These reports must reflect on all outstanding invoices per event. Included in these reports must be a separate list of events that have been settled, from the inception of the contract, based on a yearly basis.
- (ii) Records: The PCO must ensure that accurate records are kept and submitted to the DBE. Failure to record an event or an outstanding amount within a reasonable time (3 months) will result in the PCO's

forfeiting the amount. The DBE financial year-end requirements must be considered.

- (iii) Invoices: Invoices must be compiled in an orderly, standard and agreed-upon format, in order to make the processing of invoices less complicated for the DBE. Invoices received in the incorrect format will be deemed not delivered and will be sent back to the PCO. The PCO must take the utmost care to ensure that correct, orderly invoices are submitted to the DBE. A breakdown of invoices regarding the conference participants and the invoice amounts for the separate days related to each participant should be submitted with invoices. Only one invoice is to be submitted to the DBE for payment for any one event. All required certified copies of supporting documentation must be attached to an invoice.
- (iv) Reconciliation of invoices: The DBE and the PCO will agree on an accurate reconciliation of the account once a month, in order to make the management of the account auditable according to government requirements.
- (v) Tariff or discount adjustments: Documentary proof of standard tariffs must be obtained by the PCO and made available to the DBE on request. Likewise, documentary proof of all the discounts negotiated must be submitted.
- (vi) Cancellation periods: The PCO must at all times ensure that the DBE has an up-to-date list of cancellation periods for the various venues. If a new venue is used, the list must be updated before the DBE receives confirmation of the event and must be in writing.
- (vii) Confirmation of events: Confirmation of the booking of the event must be submitted to the DBE in writing, indicating the cancellation time periods for the event.
- (viii) Payments: The PCO must pay all accounts within 30 days and that of SMME's within 7 days and a detailed account and reconciliation of the account must then be submitted to the Department within 30



days after the event. The processing of the final payment will commence only once a correct invoice, reconciliation and proof of payment to the service providers has been received, together with all required supporting documentation.

- (ix) Credit notes: The PCO must, without delay, issue any credit notes identified and due to the DBE. The issuing of credit notes may not be subject to any condition or to the state of the account. Credit notes may not be set off or withheld by the PCO, and each credit note must clearly indicate to which DBE event it refers.

## **7. MONITORING PERFORMANCE**

### **7.1 The DBE will:**

- 7.1.1 ensure that the officials from the relevant Directorates in the DBE, who are involved with arranging events, provide the PCO with detailed specifications so that all the conference requirements are understood in order for the PCO to draft the concept design for the event;
- 7.1.2 approve the concept design document;
- 7.1.3 provide the PCO with the official nature of the conference and the estimated budget available, departure and arrival dates of delegates and representatives for the event as well as accommodation and travel arrangements, venue requirements, and any other specific requirements relating to the conference;
- 7.1.4 provide the PCO with the name list of delegates attending the conference, accommodation and transport requirements;
- 7.1.5 approve the venue and other logistical requirements from quotations received from the PCO and will provide the PCO with an approved *Final Approval Form* to authorise the organising of the specific event;
- 7.1.6 reserve the right to select a venue without quotations with the approval of the Director-General;
- 7.1.7 check that invoices have the required supporting documentation;

7.1.8 coordinate all the necessary DBE internal processes and approvals for the invoices to be processed; and

7.1.9 effect payment to the PCO within 30 days of receipt of the correct invoice.

**7.2 The PCO will be responsible for the following:**

**7.2.1 Finance**

- (i) Prepare the draft budget and keep the DBE informed about the changes of the budget and approval of the revised budget by the DBE during the management of the event.
- (ii) Coordinating service provider quotations and provide these to the DBE for approval.
- (iii) signing of the contracts pertaining to the event.
- (iv) Reconcile all accounts in conjunction with the DBE.
- (v) Make payments and advance payments to the appointed service providers.

**7.2.2 Administration**

- (i) Draft the concept design document, which will also include the theme, décor, entertainment, script writing, development of event brochures, and present to the DBE for approval.
- (ii) Establish committees and structures as needed to manage responsibilities.
- (iii) Prepare event project plan with the critical path, checklist and running order of the event for the DBE.
- (iv) Formulate a working document, which will provide the framework for the organisation of the entire event.
- (v) Ensure the execution of all activities and actions.
- (vi) Manage and coordinate the service providers to ensure the success of the event.
- (vii) Establish meeting schedules.

- (viii) Provide the DBE with all the necessary information and documentation to deal with day-to-day enquiries.
- (ix) Provide the DBE with a closeout report for each event which includes a financial report for audit purposes.
- (x) The logistical arrangements of events must be in line with current health and security developments nationally and internationally.

#### 7.2.3 Registration/accreditation system

- (i) Manage invitations and RSVP's.
- (ii) Compile and distribute registration forms.
- (iii) Acknowledge replies by means of a Personalised Conference Management System and handle the RSVP's.
- (iv) Supply customised information lists compiled from registration inputs.
- (v) Carry out on-site registration procedures as requested by the DBE.
- (vi) Prepare conference packs.
- (vii) Receive delegates at the airport, the venue or where needed in line with the government protocol in cases of VIP delegates (meet and greet).
- (viii) Collect outstanding registration fees, if any, up to and including registration date.
- (ix) Produce and distribute name tags.
- (x) Adhere to government protocols.

#### 7.2.4 Accommodation and event venues

- (i) Submit at least three quotations of available venues for approval.
- (ii) Assist in the final selection of accommodation and event venues.
- (iii) Confirm all bookings after approval.
- (iv) Formulate framework of daily activities.
- (v) Ascertain and monitor review dates for all venues.

- (vi) Advise in connection with the optimum layout of all conference and meeting venues.
- (vii) Supply final numbers and rooming lists for all relevant venues.
- (viii) Accept responsibility for quality control and to ensure that the venue can comfortably house the event.
- (ix) Submit quotations for protection services in line with government protocol, e.g. security, medical and fire risk, and safety file.
- (x) Provide the DBE with the necessary compliance certificate e.g. engineering/safety of the structure.

#### 7.2.5 Catering (coordination of catering requirements)

- (i) Submit quotations for all catering requirements which include refreshments (tea and coffee), and special dietary requirements e.g. halaal, vegetarian, and diabetic for approval.
- (ii) Consult DBE on the Menu specifications
- (iii) Coordinate meal times and tea/coffee breaks in consultation with the project manager of the event.
- (iv) Plan seating arrangements.

#### 7.2.6 Social programmes and local tours

- (i) Finalise daily social programme.
- (ii) Assist with selection of off-site venues and sites of interest to effect an interesting programme.

#### 7.2.7 Conference supplies:

Obtain at least three quotations and arrange supply of all conference material, e.g. folders or briefcases, name tags, signage, flags, banners and other event promotional materials, gifts and stationery.

#### 7.2.8 Hosting services:

Provide a hosting service which will include an on-site enquiry desk, accreditation and registration, VIP care, holding rooms for VIP's and a travel bureau/office in line with government protocols.

**7.2.9 Technical:**

Provide the DBE with quotations, sign the approved contracts with suppliers and coordinate the services of, amongst others, audio-visual equipment and staging, photographic service, recording facilities, translation and interpretation services, proofreader or language editor, and secretarial services.

**7.2.10 Attendance of meetings:**

Attend all pre-conference meetings when required, all appointed service providers' meetings and breakdown of the conference and all post-conference meetings.

**7.3 THE PCO WILL ALSO BE RESPONSIBLE FOR THE FOLLOWING:**

The PCO will:

- 7.3.1 Ensure that compliance of security measures are in place in accordance with the Disaster Management Act, 2002 (Act No. 7 of 2002)
- 7.4 Provide proof of continued efforts to ensure cheaper tariffs or higher discounts on a quarterly basis.
- 7.5 Suggest alternative arrangements timeously if, for some reason or other, the conference arrangements cannot be confirmed or if it can be proven that, with deviations to the original arrangements, financial savings can be realised.
- 7.6 Provide proof that the required services have been rendered so that DBE can arrange payment. Such proof must include invoices on which the required information is reflected.

- 7.7 Submit the required management reports on time as per paragraph 6.1.5 (i), as well as project initiating reports, closeout reports and progress reports.
- 7.8 Make available every three months, the names, addresses and telephone numbers of all branch offices and agencies, inside and outside South Africa, and agencies with which liaison exists outside South Africa and must accompany the monthly management report. The names and telephone numbers of personnel available on a 24-hour basis must be made available to the DBE.
- 7.9 Ensure confidentiality in respect of arrangement concerning all persons and items relating to events.
- 7.10 Ensure that negotiations with service providers of all services are conducted to the benefit of the DBE.

## **8. MANDATORY REQUIREMENTS**

Bidders must comply with the following mandatory requirements

### **8.1 Bidders must submit a company profile.**

Bidders must submit CV's of the following staff members who will be responsible for the management of the DBE account. The role of each staff member must be clearly indicated:

- Key Accounts Manager;
- Team Leader;
- Dedicated Flights consultant;
- 4 consultants;
- Dedicated payment consultant (Finance).

### **8.2 Bidders must submit a valid (for at least 3 months of the duration of the tender process) membership certificate of International Air Transport Association (IATA)/ Association of Southern African Travel Agents (ASATA).**

- 8.3 All bids must be submitted on the official Standard Bidding Documents (SBD) forms **(any alteration on the forms will lead to disqualification)**.
- 8.4 Bidders must provide costs for the services on Annexure A: Pricing Template.

**Bidders who do not comply with all the above mandatory requirements will be disqualified**

## **9. NON-MANDATORY REQUIREMENTS**

- 9.1 Bidders should return all fully completed and signed attached SBD forms (SBD1, SBD4, and SBD6.1). Non-submission of the SBD6.1 form will result in non-awarding of the preference points. **SBD means Standard Bidding Documents.**
- 9.2 In case of a Consortium or Joint Venture, Bidders should individually submit the fully completed and signed SBD forms separately.
- 9.3 If bidding as a Consortium or Joint venture, the Consortium or Joint Venture should provide/ submit the following information and documents.
- 9.4 Bidding as a Consortium or Joint Venture must provide the following information and documents:
- 9.4.1 The agreement signed by nominated members of both/all consortium or joint venture partners.
  - 9.4.2 The name of the leading company.

## **10. NON-COMPULSORY BRIEFING SESSION**

The DBE will hold a non-compulsory virtual briefing session on a date and time as published. Bidders who wish to attend the briefing session must forward their interest to this email address: [Tenders@dbe.gov.za](mailto:Tenders@dbe.gov.za). A link to the virtual meeting will be provided to the interested bidders.

## **11. EVALUATION CRITERIA**

Bid proposals will be evaluated according to the following functionality and presentation criteria:

<b>11. FUNCTIONALITY (60 points)</b>		<b>Total - 60 points</b>
<b>11.1 Company Profile indicating the work done previously supported by reference letters</b>		<b>Total - 20 points</b>
(i) list of previous events completed	<ul style="list-style-type: none"> <li>• 1 national event with international delegates (50 to 100 pax) - 4 points</li> <li>• 1 national event - 3 points</li> <li>• 1 departmental/company event (above 100 pax - 2 points</li> <li>• 1 departmental/company event (minimum 50 to 100) pax - 1 points</li> <li>• 1 departmental/company event below 50 pax – 0 points</li> </ul>	4 points
(ii) Duration of rendering the event management contract	<ul style="list-style-type: none"> <li>• 2-year event management contract and longer - 4 points</li> <li>• 1 year event management contract – 3 points</li> <li>• once off national event management contract – 2 points</li> <li>• once off Provincial/ local events services – 1 point</li> </ul>	4 points
(iii) Duration of event management contracts	<ul style="list-style-type: none"> <li>• 2 year event management contracts and longer - 4 points</li> <li>• 1-year event management contracts – 3 points</li> <li>• once off national event management contracts – 2</li> </ul>	4 points



	points <ul style="list-style-type: none"> <li>• once off Provincial/ local event management contracts – 1 point</li> </ul>	
(iv) A minimum of 3 contactable relevant references not older than 10 years in event management The reference letters must be on the client letterhead and signed. DBE reserves a right to verify the reference letters.	<ul style="list-style-type: none"> <li>• International, National, Provincial and conference references – 3 points</li> <li>• National and provincial and local conference references – 2 points,</li> <li>• Provincial/ Local conference references – 1 point</li> </ul>	3 points
(v) Administration and financial management	<ul style="list-style-type: none"> <li>• R 10 million plus -5 points</li> <li>• R8 million plus – 4 points</li> <li>• R 5 million plus – 3 points</li> <li>• R 1 million plus – 2 points</li> <li>• Smaller than R1 million – 1 point</li> </ul>	5 points
<b>11.2 The Project Team Leader experience in events management in International , National, Provincial and local conferencing Relevant and appropriate expertise in event management (attach Curriculum Vitae of the Team Leader)</b>		<b>Total - 5 points</b>
(i)	<ul style="list-style-type: none"> <li>• Experience in international, national, provincial and local conference – 5 points</li> <li>• Experience in national, provincial and local conference - 3 points</li> <li>• Experience in provincial and local conference – 2 points</li> <li>• Experience in local conference –1 point</li> </ul>	5 points
<b>11.3 Project plan. project plan showing that the service</b>		<b>Total - 35</b>

provider is able to:		points
(i) Organise conferences, workshops, and meetings	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
(ii) Develop concept design documents	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
(iii) Prepare event project plan with a clear critical path	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
(iv) Formulate a working document, which will provide the framework for the organisation of the entire event	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
(v) Execute all activities and actions to manage and coordinate the sub-service providers	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> </ul>	5 points

	<ul style="list-style-type: none"> <li>• Non Corporate events – 1 point</li> </ul>	
vi) Compile budgets for events	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
vii) Arrange all travel (air travel, vehicle rental, train and bus shuttle) and accommodation	<ul style="list-style-type: none"> <li>• International and national events – 5 points</li> <li>• National events – 4 points</li> <li>• Provincial events – 3 points</li> <li>• Local events – 2 points</li> <li>• Non Corporate events – 1 point</li> </ul>	5 points
11.4 Each of the criteria is to be assessed and scored on the evaluation sheet using the above points. Bidders who score less than 40 out of 60 points on functionality, will not be considered for a presentation for this bid.		
<b>Presentation (40 points)</b>  <b>Shortlisted bidders will have to make a 30-minute presentation to the Bid Evaluation Committee. The presentation will be required on the previous experience, company profile, and the project plan. A scenario presentation will also be required at the presentation. The scenario will be provided at time of the presentation.</b>		<b>Total - 40 points</b>
The presentation on the scenario including: <b>(The bidder/presenter will be providing a scenario and each item will be evaluated according to the below mentioned points)</b>		
(i) The concept design documents		5 points
(ii) The event project plan with a clear critical path		5 points
(iii) The working document, which will provide the framework for the organisation of the entire event		5 points
(iv) The execution plan of all activities		5 points
(v) Actions to manage and coordinate the sub-service providers		5 points
(vi) The budget for the event		5 points

(vii) The arrangements for travel (vehicle rental, train and bus shuttle)	5 points
(viii) The arrangements for accommodation	5 points
<b>Total points for Functionality and Presentation</b>	<b>100 points</b>

Bidders are required to score a total 70 points on functionality and the presentation to be considered for evaluation of price and preference.

## 12. PRICE AND PREFERENCE POINTS

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

12.1 Bids will be evaluated in terms of either 80/20 or 90/10 preference point system and the lowest acceptable tender will be used to determine the applicable preference points system.

12.2 The Preference Point systems: 80 / 90 points will be used for price only and a maximum of 20 /10 points will be awarded for DBE specific goals as specified in the bid (Refer to attached SBD 6.1 form).

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

**80/20**

**or**

**90/10**

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

Where

P<sub>s</sub> = Points scored for price of tender under consideration

P<sub>t</sub> = Price of tender under consideration

P<sub>min</sub> = Price of lowest acceptable tender

### 12.3 POINTS AWARDED FOR SPECIFIC GOALS

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

**Note to tenderers:**

1. The tenderer must indicate how they claim points for each preference point system.
2. Allocation of points will be prorated as per percentage of ownership of each goal.
3. DBE will verify the ownership percentage using CSD report, should there be discrepancies CSD report takes precedence.

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Documents required as proof of claim to validate points claimed :	Number of points claimed (90/10 system) (To be completed by the tenderer)	Percentage (%) ownership per specific goals
Black People	5	DBE will utilise CSD Report to validate points claimed	2	
Women	8	DBE will utilise CSD Report to validate points claimed	4	
Disability	1	Submit any of the documents below:  • South African Social Security Agency (SASSA) registration; <b>OR</b> • National Council for Persons with Physical Disability in South Africa registration (NCPDPSA); <b>OR</b> • Medical Certificate	1	
Youth	6	DBE will utilise CSD Report to validate points claimed	3	
<b>Total Points</b>	<b>20</b>		<b>10</b>	

### 13. CONDITIONS

13.1 The recommended bidder must submit a letter of comfort from a banking institution registered in South Africa or accredited financing house guarantee confirming that for the duration of the contract, the PCO can access a credit facility to the value of R20 000 000.

- 13.2 Appointment of the PCO will be subject to submission of the letter of comfort within 14 working days of request from the DBE.
- 13.3 Failure to submit the letter of comfort within the stipulated period will result in disqualification of the recommended bidder.
- 13.4 The PCO must provide onsite support where the event is taking place, nationally and internationally, if requested.
- 13.5 The PCO will be responsible for the payment of travel, accommodation and meals for a member of the PCO to be onsite if required by the DBE and claim it back from the DBE in line with the internal approved tariffs.
- 13.6 Quotations for arranging events on behalf of the DBE must be submitted on the basis of a discount on the standard tariffs of hotels, private hotels, conference centres and other types of accommodation. Standard tariffs will be the government tariffs as announced from time to time.
- 13.7 Documentary proof of standard tariffs must be obtained by the PCO and must be made available to the DBE on request. In addition, documentary proof must be obtained for all other benefits negotiated and submitted with the tenderer's offer.
- 13.8 Supporting services in relation to event management must be available, for example provide support with regard to fast tracking and obtaining of visas, arranging of receptions, etc., and must not be taken into consideration when discounts are determined. Quotations may show separately which supporting services are available and on what reimbursement basis.
- 13.9 Separate prices or discounts are to be furnished for domestic and for international services. The DBE reserves the right to allocate the two services as separate entities.
- 13.10 Discount on the standard tariffs of, or on accumulated expenditure at, hotels or private hotels, conference centers or other types of

accommodation and services should be given as a discount to the DBE.

- 13.11 Rates may not be adjusted to the disadvantage of the DBE within the duration of the contract. Any new conference centre for hotel group will only be included after the PCO has approved such a venue and is accepted by the DBE.
- 13.12 All quotations submitted must reflect all discounts tendered for any service. To distinguish between standard discounts, special discounts and cumulative discounts, of any service, they must all be reflected separately.
- 13.13 All data relating to DBE official events is and will remain the property of the DBE.
- 13.14 The DBE shall not pay any pro forma invoice.
- 13.15 GAAP: Generally Accepted Accounting Practices must be followed. Any irregularity identified must be investigated, and a full report submitted no later than 10 working days from the date on which the irregularity was identified. All transactions must be auditable by DBE according to government standards.
- 13.16 The PCO must adhere to all PFMA requirements for the payment of invoices.
- 13.17 **Termination for default:** The DBE, without prejudice to any other remedy for breach of contract, by written notice of default sent to the PCO reserves the right to terminate this contract with the PCO, in accordance with clause 23 of the General Conditions of Contract, should challenges be experienced with the service delivery and customer service to the DBE.
- 13.18 Protection of Personal Information Act, No. 4 of 2013: Personal information must be processed lawfully and in a reasonable manner that does not encroach on the privacy of the data subject.
- 13.19 The PCO is expected to enter into a Service Level Agreement with the DBE setting out the terms and conditions.

- 13.20 Materials compiled by the DBE may not be used in any form or for any purpose other than the purpose stipulated in this agreement. If the service provider wishes to use such material in any other form or for any other purpose, including, but not limited to, workshops, media releases and the like, it must submit to the DBE a written motivation for such use.
- 13.21 The DBE will request approval from the designated officer in whom copyright vests. Only once the designated officer has granted written approval will the DBE convey such written approval to the service provider and will the service provider have permission for such usage.
- 13.22 In the case of any material compiled, developed, researched, commented on, or evaluated on behalf of the DBE as a result of a contractual agreement with the service provider, or any other form of material, irrespective of whether in a completed form or otherwise, all intellectual property rights relating to such material will vest in the State. The service provider may not use any such material without first having obtained written approval as envisaged above.
- 13.23 The PCO should implement a rotation system in using suppliers and subservice providers to prevent the over utilization of a particular subservice provider and supplier. The PCO should provide the DBE with an updated rotation roster for separate services on a monthly basis.
- 13.24 The DBE reserves the right to change the Terms of Reference prior to the closing of a bid.
- 13.25 The DBE reserves the right not to appoint a service provider and will not be held accountable for the preparation of bid documents.
- 13.26 Bidders must register on the Central Supplier Database (CSD) and provide their CSD Number as required on the attached SBD 1 form.
- 13.27 On request of the DBE, the PCO must support delegates attending events in cases of emergencies nationally and internationally.



- 13.28 The PCO must ensure that all events, travel, accommodation and all logistical arrangements comply with all health and safety requirements for any pandemic or state of disaster requirements, nationally and internationally.
- 13.29 The DBE expects full time staff from the company as indicated in the TOR. All changes or replacements of staff of the PCO during the contract period should also be with the consent of the DBE. Staff should be available 24/7. Utility fees such as telephone and internet costs will be for the account of the PCO and payable on a monthly basis to the DBE.
- 13.30 The percentage charge will be levied on the total of invoices paid by the PCO per event. This will also include the possible bill back fees for travel and accommodation. (Bidders to indicate the percentage offered on the Annexure A: Pricing Template).

#### **14. COMMUNICATION**

- 14.1 The DBE Supply Chain Management (SCM) Unit shall communicate with bidders where clarity is sought after the closing date and no other communication to any DBE official or a person acting in an advisory capacity for the State in respect of this bid between the closing date and the award of the bid may be entered into.
- 14.2 All communication between the bidder and the DBE must be in writing and addressed to SCM Office at [Tenders@dbe.gov.za](mailto:Tenders@dbe.gov.za)

#### **15. CONTACT DETAILS**

##### **Bid Enquiries**

Department of Basic Education: Supply Chain Management,

Tel: (012) 357 3134

E-mail: [Tenders@dbe.gov.za](mailto:Tenders@dbe.gov.za)

Enquiries must be made at least twelve (12) days before the closing date of

the bid.

## **Guideline to complete the Annexure A: Pricing Template**

Bidders are required to complete Annexure A: Pricing template which has been prepopulated with formulas, taking into account the Guideline below :

### **7.1 Estimated Event Management volumes**

The DBE's current estimate total volumes per annum including air travel, accommodation, car hire, forex, conference, etc. are as follows: The table below details the number of transactions for financial year 2023/2024 as follows:

<b>Service category</b>	<b>number of events</b>	<b>Expenditure</b>
Events for 2023/24	332	R 106 608 020,34
<b>Service category</b>	<b>number of flights</b>	<b>Expenditure</b>
Domestic flights	1328	R6 444 260,55
International flights	4	R 361 894,51
*Please refer to the excel document attached		

***Note:** The figures are meant for illustrative purposes to assist the bidders to prepare their proposal. Once the contract is awarded, the volumes may vary depending on the needs of the department. Pricing guideline to be used for price evaluation purpose:*

### **7.2 Events management fee**

Bidders are required to capture their percentage offered on column F indicated on column E to get the total management fee amount for events.

### **7.3 For domestic and international flights management fee:**

Bidders are required to capture their management fee on column F for domestic flight and for international flights multiply by number of flights indicated on column E to get their management fee for management of flights.

7.4 All amounts must be added to get the total management fee amount for events, domestic and international flights

7.5 The total management fee amount must be inclusive of VAT. This amount will be used for price evaluation.

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

Full Name	Identity Number	Name of institution	State

2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### 3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 To be completed by the organ of state

*(delete whichever is not applicable for this tender).*

- a) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and  
(b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

POINTS	
PRICE	90/ 80
SPECIFIC GOALS	10/ 20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) "tender for income-generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) "the Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 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	or	90/10
$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which



states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

**Note to tenderers:**

1. The tenderer must indicate how they claim points for each preference point system.
2. Allocation of points will be prorated as per percentage of ownership of each goal.
3. DBE will verify the ownership percentage using CSD report, should there be discrepancies CSD report takes precedence.

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Documents required as proof of claim to validate points claimed:	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black People	2	5	DBE will utilize CSD Report to validate points claimed		
Women	4	8	DBE will utilize CSD Report to validate points claimed		
Disability	1	1	<b>Submit any of the documents below:</b> <ul style="list-style-type: none"> <li>• South African Social Security Agency (SASSA) registration; <b>OR</b></li> </ul>		

			<ul style="list-style-type: none"> <li>• National Council for Person with Physical Disability in South Africa registration (NCPDPSA); OR</li> <li>• Medical Certificate</li> </ul>		
Youth	3	6	DBE will utilized CSD Report to validate points claimed		
Total Points	10	20			

#### DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

.....

**THE NATIONAL TREASURY**

**Republic of South Africa**



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**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](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.

- |   |   |
|---|---|
| <b>16. Payment</b>                              | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>   |
| <b>17. Prices</b>                               | <p>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.</p>  |
| <b>18. Contract amendments</b>                  | <p>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.</p>   |
| <b>19. Assignment</b>                           | <p>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.</p>   |
| <b>20. Subcontracts</b>                         | <p>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.</p>   |
| <b>21. Delays in the supplier's performance</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

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.
<b>29. Governing language</b>	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.
<b>30. Applicable law</b>	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	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.
<b>32. Taxes and duties</b>	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.
<b>33. National Industrial Participation Programme (NIP)</b>	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.
<b>34. Prohibition of Restrictive practices</b>	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)