

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	RFB 001/2025	CLOSING DATE:	3 OCTOBER 2025	CLOSING TIME:	11:00 am
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF THE DEPARTMENTAL TRAVEL LODGE CARD FOR A PERIOD OF 120 MONTHS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Bid documents should be sent electronically to <a href="mailto:dsbdtenders@dsbd.gov.za">dsbdtenders@dsbd.gov.za</a>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Mr Nhlakanipho Msane		CONTACT PERSON	Ms Rudzani Matodzi	
TELEPHONE NUMBER	012 394 3014		TELEPHONE NUMBER	012 394 3014	
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	N/A	
E-MAIL ADDRESS	dsbdtenders@dsbd.gov.za		AND E-MAIL ADDRESS	dsbdtenders@dsbd.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:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT  <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

☐ YES ☐ NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

☐ YES ☐ NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐ YES ☐ 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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
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: .....



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**APPOINTMENT OF A SERVICE PROVIDER FOR THE  
PROVISION OF THE DEPARTMENTAL TRAVEL LODGE  
CARD FOR A PERIOD OF 120 MONTHS.**

**RFB 001/2025**

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**DATE OF ISSUE : 12 SEPTEMBER 2025**

**CLOSING DATE AND TIME : 3 OCTOBER 2025**

**BID VALIDITY PERIOD : 120 DAYS**

SUBMISSION to Supply Chain Management by Email  
[dsbdtenders@dsbd.gov.za](mailto:dsbdtenders@dsbd.gov.za)

## 1. DEFINITIONS

- 1.1. **Air Travel** refers to travelling by an airline on authorised official business.
- 1.2. **Authorising Official** refers to the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g., Line Manager of the Traveller.
- 1.3. **Department** refers to the organ of state, Department or Public Entity that requires the provision of travel management services.
- 1.4. **Domestic Travel** refers to travel within the borders of the Republic of South Africa.
- 1.5. **24 After-hours Service** refers to an enquiry or travel request that is actioned after normal working hours, i.e., 17h00 to 8h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays.
- 1.6. **Emergency Service** refers to the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from the originally planned trip.
- 1.7. **International Travel** refers to travel outside the borders of the Republic of South Africa.
- 1.8. **Lodge Card** is a credit card which is specifically designed for business travel expenditure. There is typically one credit card number which is "lodged" with the Travel Management Company (TMC) where flights only are charged.
- 1.9. **Merchant Fees** are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.
- 1.10. **Quality Management System** refers to a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organisational structure, policies, procedures, processes, and resources needed to implement quality management.
- 1.11. **Service Level Agreement (SLA)** refers to the contract between the TMC and the Government that defines the level of service expected from the TMC.
- 1.12. **Third-party fees** refer to that are fees payable to third-party service providers that provide travel-related services on an ad hoc basis that are not directly provided by the TMC, these fees include visa fees and courier fees.
- 1.13. **Transaction Fee** refers to the fixed negotiated fee charged for each specific service type e.g. international air ticket, charged per type per transaction per Traveller.
- 1.14. **Traveller** refers to a government official, consultant or contractor travelling on official business on behalf of the Department.
- 1.15. **Travel Authorisation Form** refers to the official form utilised by the Department reflecting the detail and order number of the trip that is approved by the relevant authorising official.

- 1.16. **Travel Booker** refers to the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller, e.g., the personal assistant of the Traveller.
- 1.17. **Travel Management Company or TMC** refers to the Company contracted to provide travel management services (Travel Agency).
- 1.18. **Travel Voucher** refers to a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.
- 1.19. **Value Added Services** refers to the services that enhance or complement the general travel management services e.g., rules and procedures of the airports.
- 1.20. **VAT** refers to Value Added Tax.
- 1.21. **VIP or Executive Service** refers to the specialised and personalised travel management services to selected employees of the Department by a dedicated consultant to ensure a seamless travel experience

## **2. INTRODUCTION**

- 2.1. The Department of Small Business Development (DSBD) invites bids from service providers to supply Travel Lodge Card Services. This initiative supports the DSBD's mandate to promote small businesses and requires extensive travel. A Travel Management Company (TMC) handles these arrangements but faces financial constraints due to immediate payment requirements. Establishing a credit facility through a lodge card will ensure efficient payment for travel and accommodation services and other services that might be required.

## **3. PURPOSE OF THIS REQUEST FOR BIDS**

- 3.1. The purpose of this Request for Bids (RFBs) is to solicit proposals from potential bidder(s) for the provision of travel management Lodge Card services to the Department of Small Business Development (DSBD) (i.e., flights only).
- 3.2. This RFBs document details and incorporates, as far as possible, the tasks and responsibilities of the potential bidder(s) required by DSBD for the provision of travel management lodge card services to DSBD.

## **4. DURATION OF CONTRACT**

- 4.1. The successful bidder will be appointed for a period of one hundred and twenty (120) months, ten (10) years

## **5. LEGISLATIVE FRAMEWORK OF THE BID**

### **5.1. Tax legislation**

- 5.1.1. Bidder(s) must be compliant when submitting a proposal to DSBD in terms all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991)
- 5.1.2. It is a condition of this bid that the tax matters of the successful bidder must be in order, or that satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 5.1.3. The Tax Compliance status requirements are also applicable to foreign bidders/ individuals who wish to submit bids.
- 5.1.4. Bidders are required to be registered on the Central Supplier Database (CSD) and the Department shall verify the bidder's tax compliance status through the Central Supplier Database.

### **5.2. Procurement legislation**

- 5.2.1. DSBD has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Preferential Procurement Regulations 2022.
- 5.2.2. Authorised Financial Service Providers
- 5.2.3. Consideration will be limited to authorised and valid financial service providers

## **6. CONTACT AND COMMUNICATION**

- 6.1. A nominated official of the bidder(s) can make enquiries in writing, to the specified person, Ms Rudzani Matodzi through the following channel [dsbdtenders@dsbd.gov.za](mailto:dsbdtenders@dsbd.gov.za) contact number (012) 394 3014.
- 6.2. The delegated office of DSBD may communicate with Bidder(s) where clarity is sought in the bid proposal. The contact details to be used for bid proposal clarification is [dsbdtenders@dsbd.gov.za](mailto:dsbdtenders@dsbd.gov.za)
- 6.3. Any communication to an official or a person acting in an advisory capacity for DSBD in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.
- 6.4. All communication between the Bidder(s) and DSBD must be done in writing.
- 6.5. If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by DSBD (other than minor clerical matters), the Bidder(s) must promptly notify DSBD in writing of such discrepancy,

ambiguity, error or inconsistency to allow DSBD to consider what corrective action is necessary (if any).

- 6.6. Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by DSBD will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.
- 6.7. All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid, or the Tendering process must keep the contents of the Bid and other such information confidential and not disclose or use the information except as required for developing a proposal in response to this Bid.

## **7. LATE BIDS**

- 7.1. Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, will be returned to the Bidder(s) or the bidder will be advised via email

## **8. COUNTER CONDITIONS**

- 8.1. Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by bidders or qualifying any bid conditions will result in the invalidation of such bids

## **9. FRONTING**

- 9.1. The government supports the spirit of Broad-Based Black Economic Empowerment (BBBEE) and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves with the Constitution and an honest, fair, equitable, transparent, and legally compliant manner. Against this background, the Government condemns any form of fronting.
- 9.2. The Government, in ensuring that bidders honestly conduct themselves will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/investigation, the onus will be on the bidder/contractor to prove that fronting does not exist. Failure to do so within 14 days from the date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor from conducting business with the public sector for a period not

exceeding 10 years, in addition to any other remedies DSBD may have against the bidder/contractor concerned

## **10. BIDDER DUE DILIGENCE**

- 10.1. DSBD reserves the right to conduct bidder due diligence before the final award or at any time during the contract period. This may include site visits and requests for additional information.

## **11. SUBMISSION OF PROPOSALS**

- 11.1. Bid documents may be deposited or couriered to DSBD tender box on the aforesaid address on or before the closing date and time.
- 11.2. Bid documents will only be considered if received by DSBD before the closing date and time, regardless of the method used to send or deliver such documents to DSBD.
- 11.3. The bidder(s) are required to submit two separate files consist of technical file and Price and Specific Goals file

## **12. SCOPE OF WORK**

- 12.1. The Department of Small Business Development Travel Management Services has one of the busy functions this includes domestic and international air travel, car hire, accommodation(lodging), and conference facilities. The above-mentioned commodity is rendered to Client Departments by Travel Management Companies (TMCs).
- 12.2. To this end, Travel Lodge Card has been identified as a facility that will enhance effective management of Travel Management Services whilst reducing the financial burden which TMCs are shouldering in rendering the service. Therefore, this RFB seeks to obtain offers from the market for the provision of Travel Lodge Card Services DSBD.
- 12.3. The scope of the service is to provide a Travel Lodge Card Facility that will be used as a payment facility by the Client Departments and/or the TMCs to amongst others but not limited to the following services: -

Item No.	Services
1)	Air travel - Domestic
2)	Air Travel - International

Item No.	Services
3)	Car Rental - Domestic
4)	Accommodation - Domestic
5)	Accommodation - International
6)	After Hours Services
7)	Air Travel - Domestic (Re-issue)
8)	Air Travel - International (Re-issue)
9)	Airport Lounges Access for international travel
10)	Bus Bookings
11)	Cancellations
12)	Car Rental - International
13)	Changes to bookings
14)	Conferences/Events/Catering
15)	Insurance
16)	Parking Facilities
17)	Refunds - Air Domestic
18)	Refunds - Air International
19)	Shuttle - Domestic
20)	Shuttle - International
21)	Train Booking - International
22)	Train Bookings - Domestic
23)	Transfers - Domestic
24)	Transfers - International

In rendering the above-mentioned services, the successful bidder will be required to provide the Department of Small Business Development (DSBD) with efficient and effective Travel Lodge Card Services that will enhance payment of services provided by the TMCs.

## 12.4. Service Requirements

Bidders are required to demonstrate their capability in rendering the services which will be measured in terms of the following critical performance areas: -

### 12.4.1. Opening and configuration of accounts

Bidders must demonstrate how the account will be opened and configured for efficient and effective use by Department. Each account must be able to operate individually; however, the principal must be able to have control and access to all the account for control purposes.

### 12.4.2. Management of accounts

Bidders must demonstrate how the Departmental Travel Lodge Card account will be managed. This include amongst others but not limited to the management team and back-office support responsible for ensuring that the account is managed efficiently and effectively. To this end, bidders are required to indicate the following: -

- (a) An Account Management structure to respond to the needs and requirements of the Department and act as a liaison for handling all matters regarding delivery of services in terms of the contract.
- (b) The service provider must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of each Client Department's account.
- (c) The necessary processes should be implemented to ensure good quality management and always ensuring that the Department and TMCS satisfaction.
- (d) A complaint handling procedure must be implemented to manage and record the compliments and complaints of the Department and of the TMCs.
- (e) The service provider must ensure that workshops/training are provided to the Department and the TMCs.
- (f) During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

#### 12.4.3. Reconciliation of accounts

Bidders must demonstrate how they are going to do the reconciliation of the accounts for all the Client Departments' invoices, payments and statements. To this end, bidders are required to indicate amongst others but not limited to the following: -

- (a) The intervals for submitting invoices and statements
- (b) The media to be used for the submission of invoices and statements
- (c) The intervals of doing reconciliations of invoices, statements and payments.

#### 12.4.4. Technology, Management Information and Reporting

Bidders are required to demonstrate how they are going to provide effective management reporting on the utilisation of Travel Lodge Card Services by all Client Departments. To this end, bidders will be required amongst others but not limited to the following: -

- (a) The bidder must have the capability to consolidate all management related to travel expenses into a single source document using automated reporting tools.
- (b) The bidder will be required to provide the Department and TMCs with a minimum of three (3) standard monthly reports using the reporting templates to be supplied by the DSBD.
- (c) The prescribed reports do not limit the bidder to provide the Department and the TMCs with any report applicable in the industry to enhance decision-making.
- (d) DSBD may request the service provider to provide additional management reports.
- (e) Reports must be accurate and be provided as per DSBD specific requirements at the agreed time. Information must be available on a transactional level that reflect amongst others but not limited to the following: the name of the traveller, date of travel and spend category (example air travel, shuttle, accommodation), as well as the service provider (e.g. accommodation, flight, car hire service providers)
- (f) Reports must be available in an electronic format for example, Microsoft excel, excel, PDF and any other format applicable in the industry.
- (g) The service provider will implement all the necessary processes and programs to ensure that all the data is always secure and not accessible by any unauthorised parties.

#### 12.4.5. Back-office Administration Support

The service provider must ensure that high quality services are always delivered. The service provider is required to provide DSBD with highly skilled and qualified human resources including but not limited to: -

- a) Project/Team Manager,
- b) Account Manager; and
- c) Finance Manager

#### 12.4.6. Quarterly and Annual Performance Reviews

- (a) Quarterly reviews are required to be presented by the service provider on all DSBD travel activities. These reviews are comprehensive and presented DSBD Procurement and Finance teams as part of the performance management reviews, based on the service levels.
- (b) Annual Reviews are required to be presented to the DSBD.

#### 12.5. Travel Volumes

The estimated travel budget per financial year:

2025/26 Financial Year (FY) is R 42 million

2026/27 Financial Year (FY) is R 44million

2027/28 Financial Year (FY) is R 46 million

12.6. Note: *These figures are projections based on the current trends, and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders in preparing their proposals and the card transactions should not be limited. Service providers must propose their interest rate options and the bidder with lowest interest rate will be considers.*

### **13. EVALUATION AND SELECTION CRITERIA**

13.1. DSBD has set minimum standards (Phases) that a bidder needs to meet to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

<b>Pre-qualification Criteria (PHASE 1)</b>	<b>Technical Evaluation Criteria (PHASE 2)</b>
Bidders must submit all documents as outlined Terms of Reference. Only bidders that comply with ALL these criteria will proceed to <b>Phase 2</b>	Bidder(s) are required to achieve a minimum score of 70 points out of 100 on functionality to proceed to <b>Phase 3</b> (Price and Specific Goals).

### 13.2. Phase 1: Pre-qualification Criteria

- 13.2.1. Without limiting the generality of DSBD's other critical requirements for this bid, the bidder(s) must submit the documents listed in **Table 1** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s).
- 13.2.2. During this phase Bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.

**Table 1: Documents that must be submitted for Pre-qualification.**

<b>Document that must be submitted</b>	<b>Non-submission may result in disqualification.</b>	
<b>Invitation to Bid – SBD 1</b>	<b>YES</b>	Complete and sign the supplied document
<b>Pricing Schedule – SBD 3.3</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Declaration of Interest – SBD 4</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Preference Point Claim Form – SBD 6.1</b>	<b>NO</b>	Non-submission will lead to a zero (0) score on Specific Goals
<b>Bidder Compliance Form for Functional Evaluation</b>	<b>YES</b>	Complete and sign
<b>Proof of registration as an Authorised Financial Services Providers (FSPs)</b>	<b>YES</b>	Submit a valid FSP license and related number.

Document that must be submitted	Non-submission may result in disqualification.	
<b>Registration on the Central Supplier Database (CSD)</b>	<b>NO</b>	<p>The Lodge Card service provider must be registered on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company before submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number.</p> <p>Submit proof of registration.</p>
<b>Pricing Schedule</b>	<b>YES</b>	Submit full details of the pricing proposal in a separate envelope

### 13.3. Phase 2: Technical Evaluation Criteria = 70

13.3.1. All bidders are required to respond to the technical evaluation criteria scorecard and compliance checklist. Refer to **Table 2** below for detailed information.

13.3.2. Only Bidders that have met the Pre-Qualification Criteria in (Phase 1) will be evaluated in Phase 2 for functionality. Functionality will be evaluated as follows:

13.3.3. Technical Evaluation: Bidders will be evaluated out of 100 points and are required to achieve a minimum threshold of 70 points.

Functionality	Maximum Points Achievable	Minimum required to Move to Phase 3
Phase 2: Technical Evaluation	100	70

**TABLE 2:**

#	Technical Evaluation Criterion	Weight	Reference page in bidders proposal
<b>1</b>	<b>Financial Control, Compliance &amp; Risk Mitigation</b>	<b>40</b>	
<b>1.1</b>	<b>Transaction controls and limits:</b> Does the proposal offer a proactive, automated, and secure system to control spending and simplify reconciliation?		
<b>1.1.1.</b>	3 = Basic 4 = Good 5 = Excellent		
<b>2</b>	<b>Operational Resilience &amp; Technological Integration</b>	<b>35</b>	
<b>2.1</b>	<b>Implementation and onboarding plan:</b>  Is the solution reliable, user-friendly, and supported by a clear plan for seamless implementation and ongoing stability?		
<b>2.1.1</b>	3 = Vague & Generic Plan 4 = Adequate Plan 5 = Phased, De-risked Plan		
<b>3</b>	<b>Strategic Partnership &amp; Performance Management</b>	<b>25</b>	
<b>3.1</b>	<b>References and past performance:</b> Will the bidder act as a strategic partner focused on continuous improvement, transparency, and proactive issue resolution?		
<b>3.1.1</b>	3 = Basic references met. 4 = Satisfactory references 5 = Glowing, verifiable references.		
	<b>Total</b>	<b>100</b>	

### 13.4. Phase 3: Price and Specific Goals Contribution

13.4.1. Only bidders that score at least 70 points on the above out of 100 points on Functionality will be considered to the next phase, which will determine the bidder (s) to be recommended for approval by the delegated authority. The 90/10 Preference points system will be applied using the below formula to calculate the price:

The following formula will be used to calculate the points for price: Price Evaluation: Criteria	Points
$P_s 90 \left[ 1 - \frac{P_t - P_{min}}{P_{min}} \right]$	90

Where,

$P_s$  = Points scored for the comparative price of a bid under consideration  
 $P_t$  = Comparative price of a bid under consideration  
 $P_{min}$  = Comparative price of lowest acceptable bid

In terms of Regulations 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points will be awarded to a bidder for attaining the Specific goals status level of contribution by the table as set out in the Preference Points Claim Form (SBD 6.1).

**13.5. Table 1: Specific goals for the tender and points claimed are indicated per the table below. Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)**

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 claimed (90/10 system ) (To be completed by the tenderer)
Enterprise Ownership	1	

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 claimed (90/10 system ) (To be completed by the tenderer)
(Evidence BBBEE certificate and CSD report) B- Black W- Women D- Disability Y- Youth	B, W, D, Y = 1 pts B, W, D = 0.175pts B, W = 0.150pts B, Y = 0.125pts B = 0.075 W = 0.050 D = 0.025 None of the above = 0	
Size of Enterprise (SMMES): MICRO, SMALL, MEDIUM ENTERPRISES	4	
	Micro = 4 Small = 3.6 Medium = 2 Large = 1.6	
Spatial (Rural/ Township/ City)	2	
	Rural = 2 Township = 1.2 City = 0.4	
Youth and non-youth	3	
	Youth = 3	

#### 14. GENERAL CONDITIONS OF CONTRACT

14.1. Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

14.1.1. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which DSBD is prepared to enter a contract with the successful Bidder(s).

14.1.2. The bidder submitting the General Conditions of Contract to DSBD together with its bid, duly signed by an authorised representative of the bidder.

## **15. SERVICE LEVEL AGREEMENT**

- 15.1. Upon award DSBD and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by DSBD, in the format of the draft Service Level Indicators included in this tender pack.
- 15.2. DSBD reserves the right to vary the proposed draft Service Level Indicators while negotiating with a bidder by amending or adding thereto.
- 15.3. Bidder(s) are requested to:
- 15.4. Comment on draft Service Level Indicators and where necessary, make proposals to the indicators.
- 15.5. Explain each comment and/or amendment; and
- 15.6. Use an easily identifiable colour font or "track changes" for all changes and/or amendments to the Service Level Indicators for ease of reference.
- 15.7. DSBD reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to DSBD or pose a risk to the organisation.

## **16. SPECIAL CONDITIONS OF THIS BID**

- 16.1. DSBD reserves the right to:
  - 16.1.1. Award this tender to a bidder that did not score the highest total number of points, only with section 2(1)(f) of the PPPFA (Act 5 of 2000)
  - 16.1.2. Negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
  - 16.1.3. Carry out site inspections, product evaluations or explanatory meetings to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
  - 16.1.4. Correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- 16.2. Cancel and/or terminate the tender process at any stage, including after the closing date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.

## **17. DSBD REQUIREMENTS FOR BIDDER(S) TO DECLARE**

- 17.1. In the Bidder's Technical response, bidder(s) are required to declare the following:
  - 17.1.1. Confirm that the bidder(s) is to:
    - 17.1.1.1. Act honestly, fairly, and with due skill, care and diligence, in the interests of DSBD.
    - 17.1.1.2. Have and effectively employ the resources, procedures, and appropriate technological systems for the proper performance of the services.
    - 17.1.1.3. Act with circumspection and treat DSBD fairly in a situation of conflicting interests.
    - 17.1.1.4. Comply with all applicable statutory or common law requirements applicable to the conduct of business.
    - 17.1.1.5. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, about dealings with DSBD.
    - 17.1.1.6. Avoid fraudulent and misleading advertising, canvassing, and marketing.
    - 17.1.1.7. Conduct their business activities with transparency and consistently uphold the interests and needs of DSBD as a client before any other consideration; and
    - 17.1.1.8. Ensure that any information acquired by the bidder(s) from DSBD will not be used or disclosed unless the written consent of the client has been obtained to do so.

## **18. MANDATORY REQUIREMENTS**

- 18.1. The organisation should be registered as a bank by the Prudential Authority (PA)
- 18.2. And a valid banking licensing certificate

## **19. TERMS AND CONDITIONS**

- 19.1. Comply with the Banks Act, Financial Sector Regulation Act, and other legislation
- 19.2. Comply with the Code of Banking Practice
- 19.3. Payment Card Industry Data Security Standard (PCI-DSS)
- 19.4. Comply with anti-money laundering and counter-terrorism financing regulations
- 19.5. Comply with consumer data privacy and protection regulations
- 19.6. Comply with internal controls and audit regulations
- 19.7. Comply with outsourcing and vendor management regulations

## **20. PREPARATION COSTS**

- 20.1. The Bidder will bear all its costs in preparing, submitting, and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing DSBD, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

## **21. INDEMNITY**

- 21.1. If a bidder breaches the conditions of this bid and, as a result of that breach, DSBD incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds DSBD harmless from any such costs which DSBD may incur and for any damages or losses DSBD may suffer

## **22. TAX COMPLIANCE**

- 22.1. No tender shall be awarded to a bidder who is not tax compliant or whose verification against the Central Supplier Database (CSD) proves non-compliant

## **23. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

- 23.1. No tender shall be awarded to a bidder whose names (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. DSBD reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

## **24. CONFIDENTIALITY**

- 24.1. Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with DSBD's examination and evaluation of a Tender.
- 24.2. No part of the bid may be distributed, reproduced, stored, or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except to prepare a Tender. This bid and any other documents supplied by DSBD remain proprietary to DSBD and must be promptly returned to DSBD upon request together with all copies, electronic versions, excerpts, or summaries thereof or work derived therefrom.
- 24.3. Throughout this bid process and thereafter, bidder(s) must secure DSBD's written approval before the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action

## 25. DSBD PROPRIETARY INFORMATION

25.1. Bidder will on their bid cover letter make a declaration that they did not have access to any DSBD proprietary information or any other matter that may have unfairly placed that bidder in a preferential position about any of the other bidder(s)

## 26. AVAILABILITY OF FUNDS

26.1. Should funds no longer be available to pay for the execution of the responsibilities of this bid, **DSBD TLC 001/2025**, the DSBD may terminate the Agreement at its discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimise further expenditure, provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

## 27. IMPORTANT NOTICES

27.1. The bid must be submitted in one file with two folders, i.e., comprehensive proposals (folders 1) and financial proposal (folders 2)

## 28. PROPOSAL SUBMISSION

28.1. [DSBDtenders@dsbd.gov.za](mailto:DSBDtenders@dsbd.gov.za)

Approved Travel and Accommodation Terms of Reference: YES OR NO

My comments are

Thulisile Manzini  
  
SCANFLOW

**THULISILE MANZINI**  
**DIRECTOR GENERAL**

10 September 2025  
**DATE:** \_\_\_\_\_



## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) 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	80
OWNERSHIP	2
SIZE OF ENTERPRISE (SMMES): MICRO, SMALL, MEDIUM ENTERPRISES	8
SPATIAL (RURAL/ TOWNSHIP/ CITY)	4

<b>YOUTH AND NON-YOUTH</b>	<b>6</b>
<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:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \mathbf{Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

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

#### 3.2.1. POINTS AWARDED FOR PRICE

$$P_S = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}}\right) \quad \text{or} \quad P_S = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}}\right)$$

Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

- 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 organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

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)	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)
<b>OWNERSHIP</b>	<b>1</b>	<b>2</b>		
	Level 1 = 1 pts Level 2 = 0,125pts Level 3 = 0 pts Level 4 = 0 pts Level 5 = 0 pts Level 6 = 0 pts Level 7 = 0 pts Level 8 = 0 pts  Non-compliant contributor= 0	Level 1 = 2 pts Level 2 = 1,75 pts Level 3 = 1,5 pts Level 4 = 1,25 pts Level 5 = 1 pts Level 6 = 0,75 pts Level 7 = 0,5 pts Level 8 = 0,25 pts  Non-compliant contributor= 0		
<b>Size of Enterprise (SMMES): MICRO, SMALL, MEDIUM ENTERPRISES</b>	<b>4</b>	<b>8</b>		
	Micro = 4 Small = 3,6 Medium = 2 Large = 1,6	Micro = 8 Small = 5,6 Medium = 3,2 Large = 0,8		
<b>Spatial (Rural/ Township/ City)</b>	<b>2</b>	<b>4</b>		
	Rural = 2 Township = 1,2 City = 0,4	Rural = 4 Township = 2,4 City = 0,8		
<b>Youth and Non-Youth</b>	<b>3</b>	<b>6</b>		
	Youth = 3 None-Youth = 0,9	Youth = 6 None-Youth = 1,8		

## 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:** .....

.....

**PRICING SCHEDULE**  
(Professional Services)

**BIDDER TO COMPLETE WHERE APPLICABLE**

NAME OF BIDDER: ..... BID NO.: .....

CLOSING TIME ..... ON .....

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED TAX</u>															
1.	The accompanying information must be used for the formulation of proposals.																
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of VAT for the project.	R.....															
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)																
4.	PERSON AND POSITION	<table style="width: 100%;"> <thead> <tr> <th style="width: 50%;">HOURLY RATE</th> <th style="width: 50%;">DAILY RATE</th> </tr> </thead> <tbody> <tr><td>R.....</td><td>.....</td></tr> <tr><td>R.....</td><td>.....</td></tr> <tr><td>R.....</td><td>.....</td></tr> <tr><td>R.....</td><td>.....</td></tr> <tr><td>R.....</td><td>.....</td></tr> </tbody> </table>	HOURLY RATE	DAILY RATE	R.....	.....	R.....	.....	R.....	.....	R.....	.....	R.....	.....			
HOURLY RATE	DAILY RATE																
R.....	.....																
R.....	.....																
R.....	.....																
R.....	.....																
R.....	.....																
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT																
	.....	R.....days															
	.....	R.....days															
	.....	R.....days															
	.....	R.....days															
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.																
	DESCRIPTION OF EXPENSE TO BE INCURRED	<table style="width: 100%;"> <thead> <tr> <th style="width: 30%;">RATE</th> <th style="width: 20%;">QUANTITY</th> <th style="width: 50%;">AMOUNT</th> </tr> </thead> <tbody> <tr><td>.....</td><td>.....</td><td>R.....</td></tr> <tr><td>.....</td><td>.....</td><td>R.....</td></tr> <tr><td>.....</td><td>.....</td><td>R.....</td></tr> <tr><td>.....</td><td>.....</td><td>R.....</td></tr> </tbody> </table>	RATE	QUANTITY	AMOUNT	.....	.....	R.....	.....	.....	R.....	.....	.....	R.....	.....	.....	R.....
RATE	QUANTITY	AMOUNT															
.....	.....	R.....															
.....	.....	R.....															
.....	.....	R.....															
.....	.....	R.....															
		TOTAL: R.....															

Name of Bidder: .....

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

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

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

**GOVERNMENT PROCUREMENT**

**GENERAL CONDITIONS OF CONTRACT**

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
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17. Prices
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22. Penalties
23. Termination for default
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25. Force Majeure
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27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)

## **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.

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| <b>2. Application</b>  | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>   |
| <b>3. General</b>  | <p>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.</p> <p>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 <a href="http://www.treasury.gov.za">www.treasury.gov.za</a></p>  |
| <b>4. Standards</b>  | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>  |
| <b>5. Use of contract documents and information; inspection.</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| <b>6. Patent rights</b>  | <p>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.</p>   |
| <b>7. Performance security</b>                                   | <p>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.</p>   |

- 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 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.</p>

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.