Dear Sir / Madam

**BID NUMBER: DOT/01/2019/PT (CLUSTER C)**

1. The Department of Transport requires the service as described per attached bid invitation and you are requested to complete the bidding documents and to submit it in accordance with the under mentioned stipulations:

- The bid must be submitted in a sealed envelope with the name and address of the bidder with the number and closing date indicated on the envelope. The envelope must not contain documents relating to any bid other than that shown on the cover of the envelope;
- Bids submitted per post must be sent per registered mail. The bid must still reach this office before the closing time. Couriered bid documents must be received before the closing date and time failure to do so may invalidate the bid;
- The attached forms, if completed in detail and returned, will form part of your bid; and
- **Bidders must submit one (1) original hard copy of the Technical proposal inside an envelope marked “Technical proposal”** and four PDF format CD’s of the technical proposal, and one (1) Original hard copy of the financial proposal inside market “Financial proposal” on the closing date. If Bidders are not sure of the two envelope separation submission requirements kindly contact the administrative contacts on SBD 3.3 to avoid being disqualified.
- **Compulsory Briefing Session will be held as follows:**
  - **Date:** 29 May 2019, **Venue:** Indaba Boardroom, **Time:** 10:00

2. You are advised to acquaint yourself with the contents of the attached general conditions of contract and the checklist.

3. It will be expected of the successful bidder to sign a formal contract at this office within seven (7) days after receiving a letter of acceptance.

4. Kindly take note that this is a two envelope system (Technical and Financial) proposals must be marked and put in separate envelopes.
Annexure A which will be for Technical proposal and Annexure B for Financial proposal. Bids that do not comply with a two envelope system will be disqualified.

Kind Regards

for ACTING DIRECTOR GENERAL: TRANSPORT

DATE: 2019-05-29
CHECKLIST: DOT/01/2019/PT: APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF TECHNICAL SUPPORT AND MONITORING OF INTEGRATED PUBLIC TRANSPORT NETWORK IN 33 MUNICIPALITIES OVER A PERIOD OF 36 MONTHS

<table>
<thead>
<tr>
<th>NB</th>
<th>SERVICE PROVIDERS MUST INDICATE WITH A TICK</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Did you take note that bids submitted per mail must be sent per registered mail and reach the Department in time to be deposited in the Tender Box before the closing date and time?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Are you familiar with the contents of the SBD 1 Form? Did your authorised official complete and sign the SBD 1 Form?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Is the SBD 4 Form completed and signed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Is the SBD 6.1 Form completed and signed? In bids where consortia/joint ventures sub-contractors are involved, both parties must submit one B-BBEE Status Level Verification Certificate.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Is the SBD 8 Form completed and signed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Is the SBD 9 Form completed and signed?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Have you taken note of the General Conditions of Contract and signed the bottom of each page thereof?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Is your bid/proposal complete and responsive in all respects to the specifications/terms of reference?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Please note that late bids will not be considered.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>CSD registration report is attached, and all companies forming a JV/Consortium/Subcontract submitted their CSD report?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Declaration: I, the undersigned (Full Name).......................................................... certify that I have noted the contents of the above-mentioned checklist and have complied with the stipulations contained therein.

................................................................. .................................................................
Signature                                      Date

................................................................. .................................................................
Position                                       Name of Bidder
DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or

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

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

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

2.2 Identity Number: ...................................................................................................................

2.3 Position occupied in the Company (director, trustee, shareholder²): ......................................

2.4 Company Registration Number: ...........................................................................................

2.5 Tax Reference Number: ........................................................................................................

2.6 VAT Registration Number: ....................................................................................................

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

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

²“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.
2.7 Are you or any person connected with the bidder presently employed by the state?  
   YES / NO

2.7.1 If so, furnish the following particulars:

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

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

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

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

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

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

2.8.1 If so, furnish particulars:
   .........................................................................................................................
   .........................................................................................................................

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

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? YES/NO

2.11.1 If so, furnish particulars:

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

3 Full details of directors / trustees / members / shareholders.

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Tax Reference Number</th>
<th>State Employee Number / Personal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
4 DECLARATION

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

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

............................................ ..............................................
Signature Date

............................................ ..............................................
Position Name of bidder

May 2011
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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


1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:
   - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
   - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.

1.3 Preference points for this bid shall be awarded for:
   (a) Price; and
   (b) B-BBEE Status Level of Contribution.

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

<table>
<thead>
<tr>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE</td>
</tr>
<tr>
<td>B-BBEE STATUS LEVEL OF CONTRIBUTION</td>
</tr>
<tr>
<td>Total points for Price and B-BBEE must not exceed</td>
</tr>
</tbody>
</table>

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

(a) "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

(b) "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(c) "B-BBEE status level of contributor" means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard
contained in the Codes of Good Practice on Black Economic Empowerment, issued in
terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(d) "bid" means a written offer in a prescribed or stipulated form in response to an
invitation by an organ of state for the provision of services, works or goods, through
price quotations, advertised competitive bidding processes or proposals;

(e) "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black
Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(f) "comparative price" means the price after the factors of a non-firm price and all
unconditional discounts that can be utilized have been taken into consideration;

(g) "consortium or joint venture" means an association of persons for the purpose of
combining their expertise, property, capital, efforts, skill and knowledge in an activity for
the execution of a contract;

(h) "contract" means the agreement that results from the acceptance of a bid by an organ
of state;

(i) "EME" means an Exempted Micro Enterprise as defines by Codes of Good Practice
under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act
No. 53 of 2003);

(j) "Firm price" means the price that is only subject to adjustments in accordance with the
actual increase or decrease resulting from the change, imposition, or abolition of
customs or excise duty and any other duty, levy, or tax, which, in terms of the law or
regulation, is binding on the contractor and demonstrably has an influence on the price
of any supplies, or the rendering costs of any service, for the execution of the contract;

(k) "functionality" means the measurement according to predetermined norms, as set out
in the bid documents, of a service or commodity that is designed to be practical and
useful, working or operating, taking into account, among other factors, the quality,
reliability, viability and durability of a service and the technical capacity and ability of a
bidder;

(l) "non-firm prices" means all prices other than "firm" prices;

(m) "person" includes a juristic person;

(n) "QSE" means a Qualifying Small Enterprise as defines by Codes of Good Practice
under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act
No. 53 of 2003);

(o) "rand value" means the total estimated value of a contract in South African currency,
calculated at the time of bid invitations, and includes all applicable taxes and excise
duties;

(p) "sub-contract" means the primary contractor's assigning, leasing, making out work to,
or employing, another person to support such primary contractor in the execution of part
of a project in terms of the contract;

(q) "total revenue" bears the same meaning assigned to this expression in the Codes of
Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the
Broad-Based Black Economic Empowerment Act and promulgated in the Government
Gazette on 9 February 2007;

(r) "trust" means the arrangement through which the property of one person is made over
or bequeathed to a trustee to administer such property for the benefit of another person;
and

(s) "trustee" means any person, including the founder of a trust, to whom property is
bequeathed in order for such property to be administered for the benefit of another
person.
3. **ADJUDICATION USING A POINT SYSTEM**

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. **POINTS AWARDED FOR PRICE**

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

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

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

Where

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

5. **POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION**

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

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

5.2 A bidder who qualifies as a EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.

5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating.
issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1

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

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

8. SUB-CONTRACTING

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

(Tick applicable box)

YES  NO

8.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted: %

ii) The name of the sub-contractor:

iii) The B-BBEE status level of the sub-contractor:

iv) Whether the sub-contractor is an EME.

(Tick applicable box)

YES  NO

9. DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm:

9.2 VAT registration number:

9.3 Company registration number:
9.4 TYPE OF COMPANY/FIRM

☐ Partnership/Joint Venture / Consortium
☐ One person business/sole propriety
☐ Close corporation
☐ Company
☐ (Pty) Limited
[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

☐ Manufacturer
☐ Supplier
☐ Professional service provider
☐ Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

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

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

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

(a) disqualify the person from the bidding process;
(b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
(d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
(e) forward the matter for criminal prosecution.
WITNESSES
1. ............................................
2. ............................................

SIGNATURE(S) OF BIDDER(S)
DATE: ............................................
ADDRESS ............................................
............................................
............................................
DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Standard Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
   a. abused the institution’s supply chain management system;
   b. committed fraud or any other improper conduct in relation to such system; or
   c. failed to perform on any previous contract.

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

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the &quot;audi alteram partem&quot; rule was applied). The Database of Restricted Suppliers now resides on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2</td>
<td>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3</td>
<td>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.3.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</td>
<td>Yes □</td>
<td>No □</td>
</tr>
</tbody>
</table>

| 4.4.1 | If so, furnish particulars: |

SBD 8

CERTIFICATION

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

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

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Position</th>
<th>Name of Bidder</th>
</tr>
</thead>
</table>

Js365bW
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) must form part of all bids\(^1\) invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).\(^2\) Collusive bidding is a \textit{per se} prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

   a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.

   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

\(^1\) Includes price quotations, advertised competitive bids, limited bids and proposals.

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

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: ____________________________ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

(a) has been requested to submit a bid in response to this bid invitation;
(b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
(c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium* will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

(a) prices;
(b) geographical area where product or service will be rendered (market allocation)
(c) methods, factors or formulas used to calculate prices;
(d) the intention or decision to submit or not to submit, a bid;
(e) the submission of a bid which does not meet the specifications and conditions of the bid; or
(f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

* Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.................................................................
Signature

.................................................................
Date

.................................................................
Position

.................................................................
Name of Bidder

Js914w 2
THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT

July 2010
GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the
1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such
obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection

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

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

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

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

6. Patent rights

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

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:
   (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
   (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser’s request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser’s prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier’s performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier’s notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier’s time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the
supplier’s point of supply is not situated at or near the place where the supplies are required, or the supplier’s services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:  
(i) the name and address of the supplier and / or person restricted by the purchaser;  
(ii) the date of commencement of the restriction  
(iii) the period of restriction; and  
(iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for Insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

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

28. Limitation of Liability

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser’s country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.
TERMS OF REFERENCE FOR THE PROVISION OF TECHNICAL SUPPORT AND MONITORING OF INTEGRATED PUBLIC TRANSPORT NETWORKS IN SELECTED MUNICIPALITIES FOR THE PERIOD OF 36 MONTHS

CLUSTER A: BUFFALO CITY, GEORGE, CAPE TOWN & NMB
CLUSTER B: POLOKWANE, MBOMBELA, MSUNDUZI & ETHEKWINI,
CLUSTER C: JHB, TSHWANE, EKURHULENI, MANGAUNG & RUSTENBURG

Note: Separate bids are required for each Cluster (3 in total). Bidders can bid for one or more Clusters. Bidders currently working for cities on their IPTNs must disclose this up front. DoT reserves the right to disqualify bidders currently working for disclosed cities in order to avoid any conflicts of interest.

BID NUMBER:
Closing Date:
Time: 10:00 AM
Venue: Department of Transport
Briefing Session:
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1. INTRODUCTION

1.1 The Department of Transport (NDoT) supports quality public transport networks as articulated in the National Transport Policy, the National Land Transport Act and the Public Transport Strategy (PTS) and Action Plan (2007).

1.2 The National Development Plan (NDP) in Chapter 4 states that “to achieve sustainable and inclusive growth by 2030, South Africa needs to invest in a... network of economic infrastructure designed to support the country’s medium and long-term objectives. Achieving this vision is possible, if there is targeted development of transport, energy, water resources and information and communication technology (ICT) networks.”

1.3 The Public Transport Network Grant is one mechanism by which municipalities are able to strategically invest in the appropriate planning and delivery of quality road based public transport systems. The Grant enables municipalities to begin to develop infrastructure and services which reflect priority for public transport and non-motorised travel, even at the expense of free-flowing private traffic. The Grant also enables the progressive development of universally accessible transport systems in participating municipalities.

1.4 Participating municipalities are required to develop and maintain a full network plan at least in outline, which shows the geographic extent of the proposed public transport network and the types of the facilities or investments envisaged (e.g. rail lines, busways, tramways, feeder and distributor services, stations, and depots). This should be broken down into implementation phases, each of which should be costed.

2. REQUEST FOR PROPOSALS

2.1 Currently, cities are at different stages of IPTN development and implementation. By July 2019 at least 9 of the 13 PTN Grant funded cities will be operating. There is an urgent need to oversee as well as to monitor cities in order to manage operations efficiently through minimising costs and maximising patronage.

Depending on the stage of implementation of the IPTN, the service provider will be required to provide technical monitoring to the cities, in their processes of implementing IPTNs.

2.2 The monitoring will be in the form of expertise deployed to oversee and assist the Department in assessing IPTN project design, IPTN infrastructure designs, and viability of IPTN operations, including:

2.2.1 Assistance to the NDoT in evaluating value for money of spending (on infrastructure and operations) as well as the probity thereof;
2.2.2 Convene support sessions and workshops with the Department at cities and other experts on various aspects of IPTN plan, design, construction (building), operation and maintenance;

2.2.3 Develop and monitor cost and revenue benchmarks on IPTN implementation, especially on operations, ITS, minibus participation and infrastructure;

2.2.4 Conduct financial and operational performance assessments of city projects and develop recommendations to improve patronage and/or financial viability;

2.2.5 Conduct site visits, review infrastructure designs and costs, and propose alternatives that can speed up implementation while increasing patronage and reducing unit costs.

3. PROGRAMME JUSTIFICATION

3.1 IPTN projects entail providing quality public transport services that are integrated, affordable, accessible, frequent, safe and comfortable in all 13 municipalities.

3.2 IPTN projects offer direct empowerment to the affected taxi industry and bus operators through shares in the Vehicle Operating Company (VOC) or Bus Operating Company (BOC).

3.3 IPTN projects offer benefits such as reduced traffic congestion, while significantly contributing reducing emissions.

3.4 IPTN projects provides an opportunity for mitigating and ultimately reversing the inefficient spatial form of SA cities by providing a network backbone that can anchor mixed income, mixed use developments within walking distance of public transport services.

4. PTNG FRAMEWORK 2018/19

<table>
<thead>
<tr>
<th>Public Transport Network Grant (PTNG)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transferring department</td>
</tr>
<tr>
<td>• Transport (Vote 35)</td>
</tr>
<tr>
<td>Strategic goal</td>
</tr>
<tr>
<td>• To support the National Land Transport Act (No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable integrated municipal public transport network services</td>
</tr>
<tr>
<td>Grant purpose</td>
</tr>
<tr>
<td>• To provide funding for accelerated construction, improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network</td>
</tr>
<tr>
<td>• To support the planning, regulation, control, management and operations of financially sustainable municipal public transport network services.</td>
</tr>
<tr>
<td>Outcome statements</td>
</tr>
<tr>
<td>• Improved public transport network infrastructure and services that are functioning optimally, safe, convenient, affordable and well managed and maintained and which are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas</td>
</tr>
</tbody>
</table>
### Public Transport Network Grant (PTNG)

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Network Operations Component</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Number of average weekday passenger trips carried on PTN Grant funded networks</td>
</tr>
<tr>
<td></td>
<td>• Number and percentage of municipal households within a 500m walk to an Integrated Public Transport Network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better</td>
</tr>
<tr>
<td></td>
<td>• Percentage uptime for network operating systems</td>
</tr>
<tr>
<td></td>
<td>• Passengers per network vehicle per average weekday</td>
</tr>
</tbody>
</table>

**Network Infrastructure Component**

• Public transport network infrastructure including dedicated lanes, routes and stops/shelters, stations, depots, signage and information displays, control centres and related information technology, fare systems and vehicles (if DoT approves use of grant funds to purchase vehicles) Non-motorised transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycleways, cycle storage at stations, etc.)

Plans and detailed design related to Integrated Public Transport Network (IPTN) infrastructure and operations

<table>
<thead>
<tr>
<th>Priority outcome(s) of government that this grant primarily contributes to</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Outcome 6: An efficient, competitive and responsive infrastructure network</td>
<td></td>
</tr>
<tr>
<td>• Outcome 9: A responsive, accountable, effective and efficient local government system</td>
<td></td>
</tr>
</tbody>
</table>

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5. **PROGRAMME SCOPE OF WORK AND EXPECTED OUTPUTS AND OUTCOMES**

There are three main work packages for this tender:

**5.1 Work Package A: Technical review of the existing and future IPTN plans and designs**

5.1.1 The expert/s will assist NDoT in assessing IPTN plans as part of monitoring through providing strategic advice. This shall involve:

5.1.1.1 Quick reviews of the current and existing plans including operational, business and infrastructure plans, and broad assessments of these plans against assessment criteria as determined by the Department.
5.2 Work Package B: Monitor and benchmark the performance of each city with regard to value for money of spending as well as the effectiveness of operations in maximising patronage and minimising unit costs

5.2.1 This will include assisting the Department to ensure cities are zero-basing their spending through:

5.2.1.1 Review and monitor the multi-year financial plan for the IPTN and stress testing its robustness for both capex and opex;
5.2.1.2 Develop a strategic Spending and Performance Dashboard/Monitoring/Early Warning system which will assist in extracting maximum value and delivery by cities;
5.2.1.3 Conduct deep financial and performance dives of city projects, including assessing the probity of spending if required by DoT;
5.2.1.4 Assist in organising sessions, workshops and other events to present, disseminate and test project outputs among various stakeholders;
5.2.1.5 Perform high level comparisons of IPTN cost items from relevant cities locally; this benchmarking may lead to standardisation of certain cost items where possible; and
5.2.1.6 Prepare reports on behalf of the Department on content and resolutions of various engagements with the cities.

5.3 Work Package C: Capacity Assessment, Research and Knowledge Creation and Management

5.3.1 Tasks for this work stream include:

5.3.1.1 Undertake a capacity assessment of cities and propose capacity interventions to ensure cities can effectively manage IPTNs;
5.3.1.2 Convene Technical workshops and Communities of Practice workshops;
5.3.1.3 Create knowledge products on IPTN practice in cities (Practice Notes and circulars; and
5.3.1.4 Develop national guidelines and benchmarks on selected elements of IPTNs such as taxi industry transition parameters, infrastructure scale, ITS cost benchmarks etc

6 EXPECTED OUTPUTS AND OUTCOMES

6.1 The specific outputs required include:

6.1.1 An initial inception report detailing methodology and a refined statement of work. This should be discussed and approved with the Department of Transport.
6.1.2 Assessments of city IPTNs and overview reports on their status.
6.1.3 A series of strategic workshops presenting to the city leadership on the status of their IPTNs from the national point of view.
6.1.4 Emerging from these workshops will be a:
6.1.4.1 Strategic workshop report-backs to the Department;
6.1.4.2 Report on the interventions to be put in place by the city to mitigate the situation; and
6.1.4.3 Provide recommendations to the NDoT for further actions/interventions if necessary.

6.1.5 From time to time: Technical commentary on various IPTN reports;
6.1.6 Reports and presentations at various transport forums as and when requested by the Department.
6.1.7 Knowledge creation including: Practice Notes on IPTNs; and International practices on IPTN as and when requested by the Department.
6.1.8 Annual reports on each cluster to the Department.
6.1.9 Monthly and quarterly reports on status of each city, progress made, time used and expenditure, and outputs, to the cluster portfolio manager.

7 PROGRAMME DURATION / TIMELINE

7.1 The duration is 36 months.

8 FEES

8.1 Fees are based on a maximum of 600 days over 36 months. The quote should include professional fee rates per day.
8.2 The quote should include a reasonable fee (10% max of the total) for travel and disbursement related expenses.
8.3 Domestic hotel accommodation may not exceed the maximum allowable rate per person (incl dinner, breakfast and parking), air travel must be restricted to economy class, and travel claims per kilometre may not exceed the rates approved by the Automobile Association of South Africa.
8.4 Offer support to each cluster supported by the Department. However, city specific assistance will be scoped, based on readiness and expressed demand. This will form part of the inception phase of the project.
8.5 The technical support team will be expected to provide their own support services and equipment. The costs of any necessary flights and accommodation should be included in the proposal.

9 RATES
9.1 According to the 23 October 2013 Cabinet Resolution as defined in the National Treasury Instruction 01 of 2013/14: Cost Containment Measures sub-paragraph 4.2; the Consultants (or Service Provider) will only be remunerated on the following rates regime:
9.1.1 The “Guidelines for fees” issued by the South African Institute of Chartered Accountants (SAICA);
9.1.2 The “Guide on Hourly Fee Rates for Consultants”, by the Department of Public Service and Administration (DPSA); or
9.1.3 Based on the body regulating the profession of the Consultant.

10 PENALTY REGIME

10.1 Poor performance will result in penalties that include withholding of a minimum 30% of the total invoice of each affected phase / milestone until it is fixed before the final product is submitted. In the case where the performance has not been improved to the satisfaction of the Department and the final product is handed over, the original amount held back will not be paid over to the Service Provider under any circumstances. On the other hand, an improved quality and/or performance, at the satisfaction of the Department, will require the outstanding part of the held back invoice to be paid to the Service Provider in full but with no additional interest.
10.2 The project milestones / phases are expected to be adhered to. Any deviation must be approved by the Department prior to any commencement of the changes. Failure to do so will result in a 5% non-payment of that particular and/or affected phase(s).
10.3 Notwithstanding item x.1.2 above, failure to meet the deadline as stipulated in item 8 will result in 30% of the total outstanding payments for the project as whole not being paid over to the Service Provider if the poor performance is attributed to the Service Provider unless there is undisputed evidence that the fault lies with the Department.

11 RULES OF BIDDING

11.1 The individuals proposed for professional work on the project shall remain on the project unless the Department grants prior permission to change the team composition. Such permission will not be withheld unreasonably.

11.2 No material or information derived from the provision of the services under the Contract may be used for any purposes other than those of the Department, except where authorized in writing to do so. All information will be held strictly confidential. The successful Service Provider may be required to sign a Confidentiality Agreement with the Department.
11.3 Copyright of all documents and electronic aids, software programs prepared or developed in terms of the appointment, shall vest in the Department.
11.4 The Department reserves the right to amend, modify or withdraw this Terms of Reference (TOR) document or amend, modify or terminate any of the procedures or requirements set
out herein at any time and from time to time, without prior notice except where required by law, and without liability to compensate or reimburse any Service Provider.

11.5 Any Briefing Notes which may be issued by the Department to the Preferred Service Providers should be considered as part of this TOR.

11.6 In the event that negotiations between the Department and the Preferred Service Provider/s fail with regard to the conclusion of a Contract, the Department reserves its right not to appoint the Preferred Service Provider/s without incurring any liability to compensate or reimburse the Preferred Service Provider/s.

11.7 The Department of Transport reserves the right to cancel the Contract forthwith and to terminate the service of the Service Provider with thirty (30) days’ notice, and to do so if the Service Provider becomes unable for any reason whatsoever to implement any of the terms of the Contract due to causes within his/her control, or delay without proper cause. In such an event, the Service Provider shall, when called to do so, hand over to the Department all documents and papers which are related to the project.

11.8 The Department will also have the right to:

11.8.1 Discontinue the services of the Service Provider at any stage during the project without any obligation to allow the Service Provider to execute the remainder of the project, and to;

11.8.2 Appoint a new Service Provider to execute the remainder of the project, should the Department not be satisfied with the executing of any part of the project by the Service Provider.

11.8.3 Should the Contract be cancelled in terms of paragraph x.6 above, the quantum of remuneration due to the Service Provider for services rendered prior to the date of the termination of the Agreement shall be determined between the Department and the Service Provider.

11.8.4 Neither the Department, nor any of its respective, officers, or employees may make any representation or warranty, expressed or implied in this TOR document, and nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.

11.8.5 A proposal submitted by a company, close corporation or other legal person must be accompanied by a resolution or agreement of the directors or members and be signed by a duly authorized person.

11.8.6 A proposal submitted by a partnership must be accompanied by a written partnership agreement

11.8.7 A proposal submitted by a consortium or joint venture of two or more parties must be accompanied by a signed memorandum of understanding between the parties to such consortium indicating:

11.8.7.1 the conditions under which the consortium will function;
11.8.7.2 its period of duration;
11.8.7.3 the persons authorized to represent it;
11.8.7.4 the participation of the several parties forming the consortium;
11.8.7.5 the benefits that will accrue to each party;
11.8.7.6 Any other information necessary to permit a full appraisal of its functioning.
11.8.7.7 The costs of preparing proposals and of negotiating the Contract will not be reimbursed.
11.8.8 The Preferred Service Provider may be required to enter into a Service Level Agreement (SLA) prior to appointment.
11.8.9 The Department is not bound to accept any of the proposals submitted and reserves the right to call for best and final offers from short-listed Service Providers before final selection.
11.8.10 The Department also reserves the right to call interviews with short-listed Service Providers before final selection, and to negotiate price with the Preferred Service Providers.
11.8.11 Firms may ask for clarification on this TOR or any of its Annexures up to close of business forty-eight (48) hours before the deadline for the submission of bids. Any request for clarification must be submitted by email to the Bid Office. Copies of questions and answers will be emailed to all firms that register at the briefing session, without revealing the identity of the source of the questions.
11.8.12 Firms may not contact the Department on any matter pertaining to their bid from the time when bids are submitted to the time the Contract is awarded. Any effort by a Service Provider to influence bid evaluation, bid comparisons or award decisions in any manner, may result in rejection of the bid concerned.
11.8.13 Bid submission requirements must be completed in sections and appendices provided in the bid document.
11.8.14 Bids must be submitted in two (2) envelopes, one (1) with the technical proposal and the other pricing. Supporting documents required for compliance including a Valid Tax Clearance Certificate and all the SDB documents except for SBD 3.1 and 3.3, must be submitted together with the technical proposal.

11.8.15 **ALL BIDDERS MUST BE REGISTERED ON THE CENTRAL SUPPLIER DATABASE AT NATIONAL TREASURY.** More information in this regards is available on [www.ocpo.treasury.gov.za](http://www.ocpo.treasury.gov.za). Proof of registration must be submitted together with the technical proposal.

11.8.16 You are welcome to provide us with any additional information you consider of importance for us to consider when evaluating your response to this bid.
11.8.17 Prospective Service Providers must at all times comply with the Department’s Supply Chain rules and processes with regard to all projects and payments.

12 **EVALUATION CRITERIA**

12.1 The bid shall be evaluated using three stages which are broken down below:

Stages 1: Screening of mandatory documents
Stages 2: Functionality / Technical Mandatory requirements
Stages 3: Price and B-BBEE evaluation

Requirements for stage 1:

**Bidders must comply with the requirements and submit all required document(s) indicated hereunder with the bid documents at the closing date and time of bid. This phase is not scored and bidders who fail to comply with all the mandatory criteria will be disqualified.**

12.1.1 Bidders are required to be registered on the Central Supplier Database and the Department of Transport shall verify the bidder's tax compliance status through the Central Supplier Database. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database. It is therefore a condition of this bid that the tax matters of the bidder be in order at any point in time from the closing date of the bid. This bid will only be awarded to a bidder(s) whose tax status on Central Supplier Database is compliant. Compliance should remain valid for the duration of the contract.

12.1.2 Bidders are required to attend compulsory briefing sessions.

12.1.3 Compulsory questioner – Please indicate the city/ cluster of preference
12.2 Requirements of stage 2:

12.2.1 Only bidders who have complied with mandatory requirements will be evaluated for functionality. Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated hereunder. The Bid Evaluation Committee (BEC) responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.

12.2.2 The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.

12.2.3 Functionality will be evaluated on the basis of the supporting documentation supplied by the bidders in accordance with the below functionality criteria and values.

12.2.4 The evaluation of the functionality will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below functionality criteria and values.

12.2.5 The applicable values that will be utilized when scoring each criteria ranges from: 1 being Poor, 2 = Average 3 = Good, 4 = Very Good & 5 = Excellent
<table>
<thead>
<tr>
<th>Scoring Criterion</th>
<th>1 Poor</th>
<th>2 Average</th>
<th>3 Good</th>
<th>4 Very Good</th>
<th>5 Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed project methodology</td>
<td>No Plan or irrelevant plan</td>
<td>Plan that only addresses the scope of work.</td>
<td>Plan indicating scope of work, proposed work schedule/duty sheet.</td>
<td>Plan indicating scope of work, proposed work schedule/duty sheet/work plan with clear deliverables.</td>
<td>Detailed Plan indicating scope of work, proposed work schedule/duty sheet/work plan with clear deliverables, work breakdown structure and Governance framework.</td>
</tr>
<tr>
<td>Knowledge or experience of obtaining maximum value for money from IPTN Operations and Infrastructure spend</td>
<td>0 to 5 years of similar experience</td>
<td>Over 5 to 7 years of similar experience</td>
<td>Over 7 to 9 years of similar experience</td>
<td>10 years of similar experience</td>
<td>Over 10 years of similar experience</td>
</tr>
<tr>
<td>Knowledge and experience of IPTN Business Plan/Financial Plan development and implementation</td>
<td>0 to 5 years of similar experience</td>
<td>Over 5 to 7 years of similar experience</td>
<td>Over 7 to 9 years of similar experience</td>
<td>10 years of similar experience</td>
<td>Over 10 years of similar experience.</td>
</tr>
<tr>
<td>Experience in auditing/financial evaluation of transport projects</td>
<td>0 to 5 year of similar experience</td>
<td>Over 5 to 7 years of similar experience</td>
<td>Over 7 to 9 years of similar experience</td>
<td>10 years of similar experience</td>
<td>Over 10 years of similar experience</td>
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<td>---------------------------------------------------------------</td>
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<table>
<thead>
<tr>
<th>City Capacity Assessment methodology and skill(s) transfer plan</th>
<th>0 to 5 year of similar experience</th>
<th>Over 5 to 7 years of similar experience</th>
<th>Over 7 to 9 years of similar experience</th>
<th>10 years of similar experience</th>
<th>Over 10 years of similar experience</th>
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<table>
<thead>
<tr>
<th>No.</th>
<th>Functional Evaluation Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Proposed project methodology- Attach detailed execution plan that cover the proposed scope of work, proposed work schedule/ duty sheet/ work plan with clear deliverables and timeframes for each task to be completed.</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>Knowledge of experience of obtaining maximum value for money from IPTN Operations and Infrastructure spend- please attach personnel CVs with skill(s)/ experience/ qualification(s) and reference letters/ testimonials under the client’s letterhead.</td>
<td>30</td>
</tr>
<tr>
<td>3</td>
<td>Knowledge and experience of IPTN Business Plan/Financial Plan development and implementation- please attach personnel CVs with skill(s)/ experience/ qualification(s) and reference letters/ testimonials under the client’s letterhead.</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>Experience in auditing/financial evaluation of transport projects- please attach personnel CVs with skill(s)/ experience/ qualification(s) and reference letters/ testimonials under the client’s letterhead.</td>
<td>20</td>
</tr>
<tr>
<td>5</td>
<td>City Capacity Assessment methodology and skill(s) transfer plan- please Attach personnel CVs with skill(s)/ experience/ qualification(s) and reference letters/ testimonials under the client’s letterhead.</td>
<td>10</td>
</tr>
</tbody>
</table>
12.2.6 A bidder that scores less than 60 points out of 100 points in respect of ‘functionality’ will be regarded as submitting a non-responsive proposal and will be disqualified.

12.3 Requirements of stage 3:

12.3.1 Second Stage – Evaluation in terms of 80/20 Preference Points System

Only bids that achieve the minimum qualifying score for functionality will be evaluated further in accordance with the 80/20 preference points system.

12.3.2 Calculating of points for B-BBEE status level of contribution

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>Number of Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>14</td>
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<tr>
<td>4</td>
<td>12</td>
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<tr>
<td>5</td>
<td>8</td>
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<tr>
<td>6</td>
<td>6</td>
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<tr>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Non-compliant contributor</td>
<td>0</td>
</tr>
</tbody>
</table>

12.3.3 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof or a sworn affidavit at the closing date and time of the bid in order to claim the B-BBEE status level point. The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

12.3.4 Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid will be considered for preference points. A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate tender.
12.3.5 Failure on the part of the bidder to comply with paragraphs 12.3.3 and 12.3.4 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).

12.3.6 The Department of Transport may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

12.3.7 The points scored will be rounded off to the nearest 2 decimals.

12.3.8 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

12.3.9 However, when functionality is part of the evaluation process and two or more bidders have scored equal points including equal preference points for B-BBEE, the contract will be awarded to the bidder scoring the highest for functionality.

12.3.10 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

12.3.11 A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

13 BID EVALUATION AND ADJUDICATION

13.1 The bid evaluation committee reserves the right to call bidders to complete any outstanding elements of the bids, make presentations of their bids, and/or present best and final offers, if required at the bidders’ cost, prior to the finalization of the evaluation process.

13.2 The decision of the Department’s Bid Adjudication Committee will be final. Any bidder which fails to submit any element of the bid submission requirements set out in terms of this TOR may, at the discretion of the evaluation panel, be rejected as unsuitable for evaluation and will therefore not be further considered.

14 TECHNICAL ENQUIRES

Administrative Enquires must be addressed to :-

<table>
<thead>
<tr>
<th>Mr Ibrahim Seedat</th>
<th>Ms Tebogo Sebotha</th>
<th>Mr Bonile Malila</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director: Public Transport Network Development</td>
<td>Director: Public Transport Network Development</td>
<td>Director: Public Transport Network Development</td>
</tr>
<tr>
<td>Tel: (012) 309- 3656</td>
<td>Tel: (012) 309-</td>
<td>Tel: (012) 309-</td>
</tr>
<tr>
<td>e-mail: <a href="mailto:seedati@dot.gov.za">seedati@dot.gov.za</a></td>
<td>e-mail: <a href="mailto:PeleleT@dot.gov.za">PeleleT@dot.gov.za</a></td>
<td>e-mail: <a href="mailto:malllab@dot.gov.za">malllab@dot.gov.za</a></td>
</tr>
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16
Annexure A: Compulsory Question

Is the service provider currently rendering services for any of the cities listed in the 3 clusters relating to IPTNs?

| Yes | No |

If yes, in which city are services rendered? Bidders will only be allowed to exclude cities where conflict of interest exist per cluster.

Please Tick the cluster of preference and or City of interest where conflict exist

<table>
<thead>
<tr>
<th>Mr John Mashinini</th>
<th>Mr Lucky Mashile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Transport</td>
<td>Department of Transport</td>
</tr>
<tr>
<td>Tel: (012) 309-3045</td>
<td>Tel: (012) 309-3429</td>
</tr>
<tr>
<td>e-mail: <a href="mailto:mashinij@dot.gov.za">mashinij@dot.gov.za</a></td>
<td>Email: <a href="mailto:mashilel@dot.gov.za">mashilel@dot.gov.za</a></td>
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<thead>
<tr>
<th>Cluster A</th>
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<tbody>
<tr>
<td>BUFFALO CITY</td>
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<tr>
<td>GEORGE</td>
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<td>CAPE TOWN</td>
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<td>NMB</td>
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<tr>
<td>POLOKWANE</td>
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<tr>
<td>MBOMBELA</td>
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<td>MSUNDUZI</td>
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<td>ETHEKWINI</td>
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<th>Cluster C</th>
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<tr>
<td>JHB,</td>
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<tr>
<td>TSHWANE</td>
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<tr>
<td>EKURHULENI</td>
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<tr>
<td>MANGAUNG</td>
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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.
# TABLE OF CLAUSES

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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
1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such
obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier’s failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser’s country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier’s or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier’s performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

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

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

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser’s request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser’s prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier’s performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier’s notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier’s time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the
supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
(i) the name and address of the supplier and / or person restricted by the purchaser;
(ii) the date of commencement of the restriction
(iii) the period of restriction; and
(iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for Insolvency

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

27. Settlement of Disputes

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

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

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of Liability

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
<table>
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<tr>
<th>Section</th>
<th>Text</th>
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<tr>
<td>29. Governing language</td>
<td>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.</td>
</tr>
<tr>
<td>30. Applicable law</td>
<td>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</td>
</tr>
</tbody>
</table>
| 31. Notices | 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.  
31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice. |
| 32. Taxes and duties | 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser’s country.  
32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.  
32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services. |
| 33. National Industrial Participation Programme (NIP) Programme | 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation. |
| 34. Prohibition of Restrictive practices | 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).  
34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998. |
34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.
ANNEXURE B
**PART A**

**INVITATION TO BID**

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

**BID NUMBER:** DOT/01/2019/PT  **CLOSING DATE:** 07 JUNE 2019  **CLOSING TIME:** 11:00

**DESCRIPTION:** APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF TECHNICAL SUPPORT AND MONITORING OF INTEGRATED PUBLIC TRANSPORT NETWORK IN 33 MUNICIPALITIES OVER A PERIOD OF 36 MONTHS

**BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)**

**DEPARTMENT OF TRANSPORT: 159 FORUM BUILDING: CORNER OF BOSMAN AND STRUBEN STREETS IN PRETORIA**

**PRIVATE BAG X 193 PRETORIA 0001**

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:**

<table>
<thead>
<tr>
<th>CONTACT PERSON</th>
<th>MR J MASHININI</th>
<th>TELEPHONE NUMBER</th>
<th>012 309 3045</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACSIMILE NUMBER</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-MAIL ADDRESS</td>
<td><a href="mailto:MASHININJ@DOT.GOV.ZA">MASHININJ@DOT.GOV.ZA</a></td>
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</tr>
</tbody>
</table>

**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**

<table>
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<tr>
<th>CONTACT PERSON</th>
<th>MS T SEBOTHI</th>
<th>TELEPHONE NUMBER</th>
<th>012 3090 3075</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACSIMILE NUMBER</td>
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</tr>
<tr>
<td>E-MAIL ADDRESS</td>
<td><a href="mailto:PELELET@DOT.GOV.ZA">PELELET@DOT.GOV.ZA</a></td>
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</tr>
</tbody>
</table>

**SUPPLIER INFORMATION**

**NAME OF BIDDER**

**POSTAL ADDRESS**

**STREET ADDRESS**

**TELEPHONE NUMBER**

**CELLPHONE NUMBER**

**FACSIMILE NUMBER**

**E-MAIL ADDRESS**

**VAT REGISTRATION NUMBER**

<table>
<thead>
<tr>
<th>SUPPLIER COMPLIANCE STATUS</th>
<th>TAX COMPLIANCE SYSTEM PIN:</th>
</tr>
</thead>
<tbody>
<tr>
<td>B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE</td>
<td></td>
</tr>
</tbody>
</table>

**TICK APPLICABLE BOX**

- Yes
- No

**OR**

| CENTRAL SUPPLIER DATABASE No: |
| MAAA |

**B-BBEE STATUS LEVEL SWORN AFFIDAVIT**

**[TICK APPLICABLE BOX]**

- Yes
- No

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

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

- Yes
- No

**ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?**

- Yes
- No

**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

1. BID SUBMISSION:
   1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
   1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
   1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
   1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

2. TAX COMPLIANCE REQUIREMENTS
   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: ..............................................................
**PRICING SCHEDULE**
(Professional Services)

NAME OF BIDDER: ................................................BID NO.: DOT/01/2019/PT
CLOSING TIME 11:00 CLOSING DATE: 07 JUNE 2019

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

<table>
<thead>
<tr>
<th>ITEM NO</th>
<th>DESCRIPTION</th>
<th>BID PRICE IN RSA CURRENCY <strong>(ALL APPLICABLE TAXES INCLUDED)</strong></th>
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<tbody>
<tr>
<td>1.</td>
<td>The accompanying information must be used for the formulation of proposals.</td>
<td>R..........................................................</td>
</tr>
<tr>
<td>2.</td>
<td>Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.</td>
<td>R..........................................................</td>
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<tr>
<td>3.</td>
<td>PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)</td>
<td>R..........................................................</td>
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<td>4.</td>
<td>PERSON AND POSITION</td>
<td>HOURLY RATE</td>
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<td>5.</td>
<td>PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT</td>
<td>R................</td>
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<td>5.1</td>
<td>Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.</td>
<td>R................</td>
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**DESCRIPTION OF EXPENSE TO BE INCURRED**

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<tr>
<th>RATE</th>
<th>QUANTITY</th>
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TOTAL: R.............................................

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

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<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
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<th>QUANTITY</th>
<th>AMOUNT</th>
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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? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

Any enquiries regarding bidding procedures may be directed to the –

DEPARTMENT OF TRANSPORT
Mr. J Mashinini
Supply Chain Management
Tel: 012 309 3045

Tel:

Or for technical information –

DEPARTMENT OF TRANSPORT
Ms. T Sebotha
Tel: 012 3075