

TENDER NO. ORTDM SCMU 06-22/23: APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIAOD OF 3 YEARS (36 MONTHS)



O.R. TAMBO  
DISTRICT MUNICIPALITY

<b>TENDER NO.:</b>	ORTDM SCMU 06-22/23
<b>DESCRIPTION:</b>	APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS (36 MONTHS)

**SEPTEMBER 2022**

**Issued by:**

The Municipal Manager  
O. R. Tambo District Municipality  
Private Bag x 6043  
MTHATHA, 5100  
Tel. No.: (047) 501 6400

**Prepared by:**

Supply Chain Management  
O. R. Tambo District Municipality  
Private Bag x 6043  
MTHATHA,5100  
Tel. No.: (047) 501 6400

NAME OF BIDDER: \_\_\_\_\_

CSD SUPPLIER NUMBER: \_\_\_\_\_

TAX COMPLIANCE STATUS PIN: - \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

TENDER AMOUNT: \_\_\_\_\_

AMOUNT IN WORDS: \_\_\_\_\_

\_\_\_\_\_

O.R. TAMBO DISTRICT MUNICIPALITY

TENDER NO. ORTDM SCMU 06-22/23

APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF 3 YEARS (MONTHS)

**PLEASE CHECK**

x / √

1. That you have read all the pages of the tender document. ....
2. That you have completed ALL the forms required to be completed in **NON-ERASEABLE INK**. ....
3. That your arithmetic calculation in the pricing schedule is correct. ....
4. That you have attached ALL necessary documentation relating to the composition of the tendering entity, i.e. ....
  - (a) Company registration documents naming the shareholders and directors / members of the company, close corporation etc
  - (b) Joint venture agreement, if tendering entity is a joint venture.
5. That the **COMPLETE** tender document is submitted. ....
6. That the **FORM OF OFFER** is completed in full and signed. ....
7. That ALL returnable documents are submitted. ....
8. That ALL returnable schedules are completed and signed. ....
9. Ensure that your tender is submitted by **12H00PM** on the closing date of the tender.

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# **THE TENDER**

**TENDER NO. ORTDM SCMU 06-22/23: APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF 3 YEARS (36 MONTHS)**

**SECTION 1: TENDER NOTICE AND INVITATION TO TENDER**

O.R. Tambo District Municipality hereby invites bids for the project listed below:

<b>TENDER NO.</b>	<b>TENDER DESCRIPTION</b>	<b>REQUIRED CIDB GRADE</b>	<b>COMPULSORY BRIEFING</b>
ORTDM SCMU 06-22/23	APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF 3 YEARS	1GB to 4GB	Date: 11 October 2022 Time: 10H00 Venue: Ingquza Hill Municipal Offices, Lusikisiki

A compulsory briefing/clarification meeting with representatives of the Municipality will take place on the aforementioned date(s), time(s) and venue(s).

**THE MUNICIPALITY WILL NOT REPEAT ANY MATTERS ALREADY COVERED IN THE COMPULSORY BRIEFING MEETING TO BIDDERS WHO ARRIVE MORE THAN 10 MINUTES LATE TO THE MEETING. PLEASE ADHERE TO ALL COVID REGULATIONS.**

**ANY BID RECEIVED FROM A BIDDER WHO DID NOT ATTEND THE BRIEFING MEETING AND SIGN THE ATTENDANCE REGISTER WILL NOT BE CONSIDERED.**

Bid documents should be downloaded on the e-Tender website ([www.etenders.gov.za](http://www.etenders.gov.za)) alternatively on the OR Tambo website ([www.ortambodm.gov.za](http://www.ortambodm.gov.za)).

Bids must be completed in black ink, enclosed in a sealed envelope clearly marked with the "Tender number, tender name and description", and deposited in the Open Tender Box @ The Ground Floor, O. R. Tambo District Municipality Building, Nelson Mandela Drive, Myezo Park, Mthatha, Eastern Cape, not later than 12H00pm on **Friday, 11 November 2022**.

It must be expressly understood that the Municipality accepts no responsibility for ensuring that bid submissions sent by courier or post, or delivered in any other way, are deposited in the Tender Box. It is therefore preferable for the bidder to ensure that its bid submission is placed in the Tender Box by its own staff or representative(s).

The Municipality reserves the right not to accept the only or lowest priced tender or any tender at all, or to accept the whole or part of any tender.

**Tender submissions will be opened in public at 12h00pm on the tender closing date. Bids will be opened at the Ground Floor, O.R. Tambo House, Myezo, Mthatha.**

**RETURNABLE DOCUMENTS TO BE SUBMITTED WITH BID:**

- Original or certified copy of BBBEE certificate; or sworn affidavit confirming annual total revenue and level of black ownership, if bidder is an Exempted Micro Enterprise (EME) or Qualified Small Business (QSE);
- Proof of CIDB Registration
- NHBRC Registration Certificate
- SARS Tax clearance certificate;
- Certified copies of business registration documents, as issued by CIPC;
- Certified copy of identity documents of directors/ shareholders/ partners / members, as the case may be.

**NB: CERTIFICATION OF DOCUMENTS MUST NOT BE MORE THAN SIX (6) MONTHS FROM DATE CERTIFIED BY COMMISSIONER OF OATHS.**

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**THE BID WILL BE REJECTED IF THE BIDDER FAILS TO:**

- Complete fully the bid document or to provide the information requested, or to sign the bid at the appropriate spaces provided or next to errors, his/her/ its bid
- Fill and properly sign the form of offer.
- Attach proof of registration with CSD.
- Attach proof of registration with Construction Industry Development Board (CIDB)
- Attach proof of latest municipal rates and taxes statement of the bidder indicating that rates and taxes are not in arrears for more than 3 months.
- Attach proof of latest municipal rates and taxes statement of each company director indicating that rates and taxes are not in arrears for more than 3 months.
- Attach proof of latest municipal water and sanitation charges statement of the bidder indicating that rates and taxes are not in arrears for more than 3 months for bidders who reside in the O. R. Tambo District Municipality area.
- Attach proof of latest municipal water and sanitation charges statement of each company director indicating that rates and taxes are not in arrears for more than 3 months for bidders who reside in the O. R. Tambo District Municipality area.
- Attach confirmation of address from a ward councillor where the bidder and company directors operate and reside in a peri-urban area where no rates and taxes and service charges are not billed.
- Attach a copy of a valid lease agreement where the bidder does not own the property they are operating from.
- Attach joint Venture Agreement or Consortium Agreement signed and initialled on each page (if applicable).

**EVALUATION OF BIDS IN TERMS OF THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK REGULATIONS, 2017:**

Bids will be evaluated in two stages, namely:

- Stage 1 – Functionality criteria
- Stage 2 - Price and B-BBEE status level

Bidders who fail to comply with the requirements in Stage 1 will not be evaluated further in Stages 2. Only Bidders who score a minimum of 60 points in Stage 1 will proceed to be evaluated further in Stage 2.

Item	Weight
<b>Stage 1 – Functionality criteria</b>	<b>100</b>
Previous Experience	30
Experience of Key Personnel	30
Methodology	10
Resources to bidder	20
Locality	10
<b>Stage 2 - Price &amp; B-BBEE Status Level</b>	<b>100</b>
Price	80
B-BBEE status level of contributor	20

Tenders may only be submitted on tender documentation issued. No alterations may be made to the tender documentation. No late, faxed, e-mailed, telephonic or other electronically transmitted submissions will be accepted.

The Municipality reserves the right to extend the tender advert period at its own discretion, by notice published in the Daily Dispatch Newspaper; the e-Tender Publication Portal, and by notice sent to all parties who attend the compulsory briefing session, if any.

**ENQUIRIES:**

**Technical:** Lusanda Mtse: Manager Quality Assurance **Email:** [lusandamtse@gmail.com](mailto:lusandamtse@gmail.com); **Tel No:** 047 501 6466

**SCM:** ; Sakhiwo Hopa: **Email:** [sakhiwom@ortambodm.org.za](mailto:sakhiwom@ortambodm.org.za); **Tel No.** 047 501 6449 during office hours: **Monday to Friday 08H00-13H00 and 13H30-16H30**

Tenders will be evaluated in terms of the Supply Chain Management policy of the O. R. Tambo District Municipality. An 80/20-point system shall apply where 80 points is allocated for price and 20 points allocated for B-BBEE status level of contributor as follows:

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<b>B-BBEE status level of contributor</b>	<b>Number of points</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Unincorporated Joint Ventures and Consortia will only be allocated B-BBEE points provided they submit their consolidated B-BBEE certificate and that such consolidated B-BBEE certificate is prepared for every separate tender.

**Mr. S. Mkhize**  
**MUNICIPAL MANAGER**

## SECTION 2: STANDARD CONDITIONS OF TENDER

### **BIDDERS ARE REQUIRED TO FAMILIARIZE THEMSELVES WITH THE TENDERING CONDITIONS AND PROCEDURES DETAILED IN THIS SECTION.**

1. No tender will be considered unless it is submitted on this OR Tambo bid document. Under no circumstances whatsoever may this bid document be retyped or redrafted.
2. The whole, original bid document as issued by OR Tambo District Municipality must be completed. A tender will be considered invalid and will not be accepted, if any part of this bid document is not submitted.
3. The bidder is advised to check the number of pages and to satisfy him/herself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Telephonic, telegraphic, telex, facsimile or emailed tender offers will not be accepted, unless stated otherwise in these tender conditions.
6. Bid submissions must be properly deposited, on or before the closing date and time of the tender, in the **Tender Box** at the O.R. Tambo Offices, Ground Floor, O.R. Tambo House, Myezo, Mthatha.
7. Each bid shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
8. O.R. Tambo Municipality accepts no responsibility for ensuring that tenders are placed in the correct tender box, and should a tender be placed in the incorrect tender box, it will be not be accepted.
9. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
10. Bids received after the closing time and/or date shall not be considered.
11. Bidders will be responsible for all costs associated with the preparation and submissions of their bids.
12. The bid must be signed by a person duly authorised to do so.
13. Any alterations made to the bid document must be initialled by the person or persons authorised to sign the bid document. The use of correcting fluid is prohibited.
14. Bids will be opened in public, as soon as possible after the closing time of the bid. Where practical, bid prices will be read out at the time of opening bids.
15. **National Treasury Central Supplier Database**
  - 15.1 Bidders must be registered on the National Treasury Central Supplier Database ('CSD'), and must provide their CSD supplier number in their bid submission.



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15.2 The municipality will verify on the CSD, the following information relating to bidders –

15.2.1 business registration, including details of directorship and membership;

15.2.2 bank account information;

15.2.3 tax compliance status;

15.2.4 identity documents of directors, members or trustees, as the case may be;

15.2.5 tender defaulters and restrictions status;

15.2.6 whether the bidder has any directors, managers, principal shareholders or stakeholders in the service of the state.

15.3 Bidders must ensure that their information on the CSD is up to date and correct.

**16. Tax compliance status**

16.1 Bidders must ensure that their tax matters are in order. No award will be made to any bidder whose tax matters have been declared to be in order by the South African Revenue Services (SARS).

16.2 Each party to a joint venture, consortium or partnership must comply with the above requirement.

**17. Bid validity period**

17.1 The validity period for the bid is ninety (90) days from the close of the bid.

17.2 All bids submitted shall remain valid, irrevocable and open for acceptance by the Municipality within the validity period, or such extended period as may be applicable.

17.3 If the bid validity period expires on a Saturday, Sunday or public holiday, the bid offer shall remain valid and open for acceptance until the closure of business on the following working day.

17.4 The bid offer may not be amended during the aforesaid bid validity period.

17.5 Where required, the Municipality may request all bidders to agree to the extension of the validity period on the same terms and conditions as the original bid, or such amended terms and conditions as may be allowed by the Municipality.

17.6 A request for a bid validity extension request will be done in writing, before the expiry of the original validity period.

**18. Withdrawal or modification of a tender prior to closing time 18.1**

Tenderers may withdraw their tender before the tender closes.

18.2 Insofar as a modification will affect the information that will be made available at the public opening, the Municipality shall have the authority to make such information from the submissions available to the other tenderer, Covid-19 regulations will be complied to.

**19. Withdrawal of a tender after the closing time**

Tenderers may withdraw their tender submission before the tender is awarded provided that they do so in writing, and ensure that such withdrawal reaches the Municipality and the Municipality confirms receipt in writing before the tender is awarded. The tender as modified will be considered as the tenderer's offer.

**20. Prequalification criteria**

20.1 Prequalification criteria may be applied to the tender to advance designated groups.

20.2 Should prequalification criteria be applicable to this tender, the basis of such criteria will be detailed in Section 4 below.

**21. Tender evaluation**

21.1 Tenders will be evaluated in accordance with the tender evaluation criteria stipulated in this document.

21.2 Tenders will be evaluated for price and preference using the 80/20 preference points system.

21.3 Unless otherwise stated in this document, a contract will be concluded with the bidder who complies with the tender evaluation criteria, and scores the highest total price and BBBEE points.

**22. Test for tender responsiveness**

**22.1 Invalid tenders**

Tenders shall be invalid if –

- (a) The tender document is completed in non-erasable ink;
- (b) The form of offer is not completed and signed by the bidder;
- (c) In a two-envelope system, a bidder fails to submit both a technical proposal and a separate, sealed financial offer;
- (d) The bidder has been listed on the National Treasury's Register for Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, or has been listed on the National Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector;
- (e) The bidder is has been restricted from doing business with the Municipality Clause 38A of the O.R. Tambo Municipality Supply Chain Management Policy.

**22.2 Non-responsive tenders**

Tenders will be held to be non-responsive and eliminated from further consideration in the following circumstances –

- (a) The tender does not comply with the tendering procedures, where such procedures have been indicated as mandatory.
- (b) The tender does not comply with the prequalification criteria for the tender, if any, or the tender evaluation criteria, including any functionality criteria.
- (c) Where there are material deviations from, or qualifications to the tender, which in the Municipality's opinion would –
  - (i) detrimentally affect the scope, quality or performance of the services or supply identified in the scope of services;
  - (ii) significantly change the Municipality's or the bidder's risks and responsibilities under the contract, or

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(iii) affect the competitive position of the bidder, or other bidders presenting responsive tenders, if it were to be rectified.

(d) The bid will be declared non-responsive in the event that the bidder's tax matters, as verified on the government Central Supplier Database, are shown not to be in order, and the bidder fails to ensure that its tax matters are in order within such timeframe as may be required by O.R Tambo District Municipality in writing.

**23. Clarification of the tender offer after submission**

The bidder must provide clarification of its tender offer in response to a request to do so from the Municipality during the bid evaluation or adjudication stages. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of bidders or substance of the tender offer may be sought, offered, or permitted.

**24. Inspections, tests and analyses**

The bidder shall, at the request of the Municipality, provide access during working hours to its business premises, or any other specified premises, for any inspections, tests and analyses as required in this document.

**25. Samples**

Where applicable, samples shall be provided strictly in accordance with the instructions stipulated in this bid document.

**26. Pricing the tender offer**

Bidders must –

26.1 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (including Value Added Tax (VAT), and other levies applicable.

26.2 Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as specified in this tender document.

26.3 State the rates and prices in Rand unless instructed otherwise.

**27. Imbalance in tendered rates or prices**

If the Municipality declares any rate or price to be unacceptably high or low, the tenderer shall be requested to provide evidence to support the tendered rate or price. If the Municipality remains unsatisfied with the rate or price, it may propose to the tenderer an amended rate or price together with counterbalancing change(s) elsewhere in the Pricing Schedule such that the tender sum remains unchanged. Should the tenderer refuse to amend his / her tender as proposed by the Municipality, his / her tender may be regarded as non-responsive.

**28. Inducements, gifts, rewards and other abuses of the supply chain management system**

28.1 No bidder may directly or indirectly commit any fraudulent act during the tender process or abuse the supply chain management system of the Municipality.

28.2 Should a bidder be found to have committed fraud or abused the supply chain management system, its bid will be rejected, any existing contract between it and the Municipality will be cancelled, and any other remedies available to the Municipality as provided for in the Supply Chain Management Regulations or other relevant legislation shall be imposed, including blacklisting.

**29. Alternative offers**

Alternative offers may be considered, provided that a bid free of qualifications and strictly in accordance with the tender document is also submitted. The Municipality shall not be bound to consider alternative bid offers.

**30. Objections, complaints, queries and disputes / Appeals in terms of Section 62 of the Municipal Systems Act**

**30.1 Objections, complaints, queries and disputes**

Persons aggrieved by decisions or actions taken by the Municipality in the implementation of the supply chain management system, or any matter arising from a contract awarded in terms of the supply chain management system may, within 14 days of the decision or action, lodge a written objection or complaint or query or dispute against the decision or action.

**30.2 Section 62 appeals**

- (a) In terms of section 62 of the Systems Act, a person whose rights are affected by a decision taken by a political structure, political office bearer, councillor or staff member of a municipality in terms of a power or duty delegated or sub-delegated by a delegating authority, may appeal against that decision by giving written notice of the appeal and reasons to the Accounting Officer within 21 days of the date of notification of the decision.
- (b) An appeal shall contain the following:
  - (i) The reasons and/or grounds for the appeal;
  - (ii) The manner in which the appellant's rights have been affected;
  - (iii) The remedy sought by the appellant.

**30.3 Lodging of appeals, objections, complaints, queries and disputes relating to this tender**

Appeals, objections, complaints, requests for information, queries and disputes must be submitted in writing to the Office of the Municipal Manager, O.R. Tambo House, Myezo, Mthatha.

**SECTION 3: REGISTRATION ON THE NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD)**

1. In terms of National Treasury MFMA Circular No. 81, Accounting Officers of Municipalities are required to encourage their prospective suppliers to register on the Central Supplier Database ('CSD').
2. Bidders may apply for online registration, using the following website link: [www.csd.gov.za](http://www.csd.gov.za).
3. Bidders must register on CSD. **FAILURE TO REGISTER BEFORE THE CLOSE OF THIS TENDER WILL RESULT IN THE DISQUALIFICATION OF THE BIDDER'S TENDER.**

**SECTION 4: PREQUALIFICATION CRITERIA**

Only bidders that meet the requirements indicated as applicable below, may respond to this tender -

No.	Criteria	Applicable / Not applicable	Indicate compliance (Yes / No)
		<u>TO BE SPECIFIED BY THE MUNICIPALITY</u>	<u>TO BE COMPLETED BY THE BIDDER</u>
1.	Bidders must have a stipulated minimum BBBEE status level to prequalify for this bid	Applicable	
1.1	The stipulated BBBEE level required to prequalify for this bid is 1 to 3	Applicable	
2.	Bidders must be an Exempted Micro Enterprise (EME) or a Qualified Small Enterprise (QSE)	Applicable	
3.	Bidders must subcontract a minimum of 30 percent of the value of the contract to:		
3.1	an EME or QSE	Not applicable	
3.2	an EME or QSE which is at least 51% owned by black people	Not applicable	
3.3	an EME or QSE which is at least 51% owned by black people who are youth	Not applicable	
3.4	an EME or QSE which is at least 51% owned by black people who are women	Not applicable	
3.5	an EME or QSE which is at least 51% owned by black people with disabilities	Not applicable	
3.6	an EME or QSE which is at least 51% owned by black people living in rural or underdeveloped areas or townships	Not applicable	
3.7	A cooperative which is at least 51% owned by black people	Not applicable	
3.8	an EME or QSE which is at least 51% owned by black people who are military veterans	Not applicable	

**A TENDER THAT FAILS TO MEET THE APPLICABLE PREQUALIFICATION CRITERIA INDICATED ABOVE WILL BE HELD TO BE NON-RESPONSIVE.**

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<b>SECTION 5: SUBCONTRACTING AS COMPULSORY BIDDING CRITERIA</b>			
This section applies only to tenders which exceed the value of R30 million.			
<b>No.</b>	<b>Criteria</b>	<b>Yes / No / Not applicable (Indicate)</b>	<b>Agree / Do Not Agree</b>
		<u>TO BE SPECIFIED BY THE MUNICIPALITY</u>	<u>TO BE COMPLETED BY BIDDER</u>
1.	The estimated value of this contract exceeds R30 million	NO	
2.	If the estimated value of the contract exceeds R30 million, is it feasible for this contract to be subcontracted?	Not applicable	
3.	If sub-contracting is feasible, bidders <u>MUST</u> agree to subcontract the contract to one, or more of the following designated groups -	Not applicable	
3.1	an EME or QSE	Not applicable	
3.2	an EME or QSE which is at least 51 percent owned by black people	Not applicable	
3.3	an EME or QSE which is at least 51 percent owned by black people who are youth	Not applicable	
3.4	an EME or QSE which is at least 51 percent owned by black people who are women	Not applicable	
3.5	an EME or QSE which is at least 51 percent owned by black people with disabilities	Not applicable	
3.6	an EME or QSE which is at least 51 percent owned by black people living in rural or underdeveloped areas or townships	Not applicable	
3.7	a cooperative which is at least 51 percent owned by black people	Not applicable	
3.8	an EME or QSE which is at least 51 percent owned by black people who are military veterans	Not applicable	

FAILURE OF A BIDDER TO AGREE TO SUBCONTRACT AS SPECIFIED ABOVE WILL RESULT IN ITS BID BEING HELD TO BE NON-RESPONSIVE.

**SECTION 6: TENDER EVALUATION CRITERIA**

**Bids will be evaluated in two stages, namely:**

- Stage 1- Functionality assessment
- Stage 2- Price and BBBEE Status Level

**STAGE 1 – FUNCTIONALITY ASSESSMENT**

The functionality criteria ( and sub criteria if applicable) and maximum score in score in respect of each criteria are as follows:

Only bidders who score 60 points or more in stage 1 will proceed to stage 2 evaluation

Functionality shall be scored by not less than three evaluators and the scores of each of the evaluators will be averaged, weighted and then totalled to obtain the final score for functionality. Each evaluation criteria will be assessed in terms of six indicators and scores allocated to the following table:

**NB: Project of a similar nature means any project relating to the building/construction of an RDP House/ Residential unit, Office Block, School, Clinic & Community Hall with a floor coverage of not less than 40 m<sup>2</sup>.**

***Tender Functionality /Quality Claimed***

	CATEGORY OF QUALITY / FUNCTIONALITY	MAXIMUM TENDER EVALUATION POINTS PROVIDED
<b>CRITERION: TENDERER’S PREVIOUS EXPERIENCE</b>		
<p><b>NOTES: PROJECTS OF A “SIMILAR NATURE” ARE DEFINED AS A PROJECT WITH A COMPARABLE SCOPE OF WORK WHICH INCORPORATES RESIDENTIAL TOP STRUCTURES/HOMES IN TERMS OF THE TECHNICAL REQUIREMENTS.</b></p> <p><b>“SUCCESSFULLY COMPLETED” IMPLIES A PROJECT THAT HAS BEEN COMPLETED ON TIME AND TO SPECIFICATION</b></p>		
	EXPERIENCE ON SIMILAR PROJECTS	30
	Bidder is: <ul style="list-style-type: none"> <li>• <b>CIDB Grade 1GB or 1GB PE</b> and has sub-contracted in <b>three (3)</b> projects of a similar nature, with a total sum value of no less than <b>R 300,000.00</b> and has completed such projects to satisfactory within the specified time.</li> </ul>	30



<ul style="list-style-type: none"> <li>• <b>CIDB Grade 2GB or 2GB PE</b> and has sub-contracted in <b>three (3)</b> projects of a similar nature, with a total sum value of no less than <b>R 500,000.00</b> and has completed such projects to satisfactory within the specified time.</li> <li>• <b>CIDB Grade 3GB or 3GB PE</b> and has sub-contracted in <b>three (3)</b> projects of a similar nature, with a total sum value of no less than <b>R 700,000.00</b> and has completed such projects to satisfactory within the specified time.</li> <li>• <b>CIDB Grade 4GB</b> and has sub-contracted in <b>three (3)</b> projects of a similar nature, with a total sum value of no less than <b>R 1,000,000.00</b> and has completed such projects to satisfactory within the specified time.</li> </ul> <p><b>Appointment letters with contactable references must be submitted with the Bid. Points will only be awarded where copies of Certificate of Completion are submitted.</b></p>	
<p>Bidder is:</p> <ul style="list-style-type: none"> <li>• <b>CIDB Grade 1GB or 1GB PE</b> and has sub-contracted in <b>two (2)</b> projects of a similar nature, with a total sum value of no less than <b>R 200,000.00</b> and has completed such projects to satisfactory within the specified time.</li> <li>• <b>CIDB Grade 2GB or 2GB PE</b> and has sub-contracted in <b>two (2)</b> projects of a similar nature, with a total sum value of no less than <b>R 300,000.00</b> and has completed such projects to satisfactory within the specified time.</li> <li>• <b>CIDB Grade 3GB or 3GB PE</b> and has sub-contracted in <b>two (2)</b> projects of a similar nature, with a total sum value of no less than <b>R 500,000.00</b> and has completed such projects to satisfactory within the specified time.</li> <li>• <b>CIDB Grade 4GB</b> and has sub-contracted in <b>two (3)</b> projects of a similar nature, with a total sum value of no less than <b>R 700,000.00</b> and has completed such projects to satisfactory within the specified time.</li> </ul> <p><b>Appointment letters with contactable references must be submitted with the Bid. Points will only be awarded where copies of Certificate of Completion are submitted.</b></p>	20
<p>No previous similar projects completed, or completed projects.</p>	0
<p><b>Experience of key personnel (NB no Key personnel member may be assigned more than one duty on the contract, i.e. different personnel must be assigned for each of the following positions)</b></p>	30
<p><b>Contracts Manager:</b> National Diploma in Built Environment with 3 years of work experience in projects of similar nature.</p>	15
<p><b>Site Agent/Site:</b> NQF Level 5 in Built Environment with 3 years of work experience in projects of similar nature.</p>	10
<p><b>Foreman:</b> NQF level 3 and Five years of working experience in projects of a similar nature.</p>	5
<p><b>Methodology</b></p>	10

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Methodology and approach are fully adequate to meet requirements of the assignment required by the scope of work.	10
Inadequate methodology and approach	0
<b>Locality</b>	<b>10</b>
Bidder has business premises (leased /owned) in the OR Tambo District Municipality.	10
Bidder has business premises (lease /owned) outside OR Tambo District Municipality but in the Eastern Cape Province.	5
Bidder has business premises (lease /owned) outside the Eastern Cape Province.	2
No information submitted.	0
<b>Resources to Bidder</b>	<b>20</b>
The bidder has access to all three (3) of the following equipment: TLB x1; Compactor/Roller x1 & 8 Ton Truck x 1	20
The bidder has access to two (2) of the three (3) equipment's listed below: TLB x1; Compactor/Roller x1 & 8 Ton Truck x 1	10
No access to any of the equipment listed below: TLB x1; Compactor/Roller x1 & 8 Ton Truck x1	0

**Only bidders who score 60 points or more in stage 1 will proceed to stage 2**

**STAGE 2 – PRICE AND BBBEE STATUS LEVEL**

B-BBEE status level of contributor	Number of points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

**SECTION 7: RETURNABLE DOCUMENTS AND SCHEDULES**

**RETURNABLE DOCUMENTS**

Bidders must submit the following documentation with their tenders:

No.	Returnable document	Compulsory (Yes / No)	Non-submission will render Tender nonresponsive (Yes / No)
1.	Original or certified BBBEE certificate	<b>NO.</b> Zero (0) points will be allocated for BBBEE <sup>1</sup>	<b>NO.</b> Zero (0) points will be allocated for BBBEE
1.1	Sworn affidavit confirming annual total revenue and level of black ownership, if bidder is an Exempted Micro Enterprise (EME) or Qualified Small Business (QSE)		
1.2	An original or certified consolidated BBBEE scorecard, if bidder is a trust, joint venture or consortium that is an unincorporated entity		
2.	Business registration documents	<b>YES</b>	<b>YES</b> (if proof of its business status and registration cannot be verified on CSD)
3.	Business premises municipal account not older than 90 days OR proof that bidder leases its business premises	<b>YES</b>	<b>YES</b>
4.	Certified copy of identity documents of directors / shareholders / partners / members, as the case may be	<b>YES</b>	<b>YES</b>
5.	Signed joint venture or consortium agreement	<b>YES</b> (if applicable)	<b>YES</b> (if applicable)
6.	Valid and certified copy of Fidelity Fund Certificate	<b>NO</b>	<b>NO</b>
7.	Valid and certified copy of membership certificate to relevant professional body, i.e. Engineering Council of South Africa.	<b>YES</b>	<b>YES</b>
8.	Valid and certified copy of membership certificate to relevant professional body, i.e. ACFE, IRMSA, The Ethics Institute of South Africa	<b>NO</b>	<b>NO</b>

<sup>1</sup> However, if a minimum BBBEE status level has been specified as prequalification criteria, submission of a BBBEE certificate or sworn affidavit will be compulsory. Failure to submit such certificate or affidavit with the minimum BBBEE status level required will render the bid non-responsive.

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**RETURNABLE SCHEDULES**

All returnable schedules below must be completed by the bidding entity, save for those schedules which are not applicable to it in which case the bidding entity must indicate which schedules are not applicable.

Bidders must complete the following returnable schedules:

<b>No.</b>	<b>Returnable schedule</b>	<b>Compulsory (Yes / No)</b>	<b>Non-submission will render Tender non-responsive (Yes / No)</b>
1.	Confirmation of registration on the National Treasury Central Supplier Database <b>(Schedule A)</b>	<b>YES</b>	<b>YES</b>
2.	Authority of bid signatory <b>(Schedule B)</b>	<b>YES</b>	<b>YES</b>
3.	Briefing session / site inspection certificate <b>(Schedule C)</b>	<b>YES</b> (if applicable)	<b>YES</b> (if applicable)
4.	Municipal Bidding Documents <b>(Schedule D)</b>		
4.1	MBD 4 - Declaration form confirming the bidder is not in the service of the state	<b>YES</b>	<b>YES</b>
4.2	MBD 5 - Declaration for procurement above R10 million	<b>YES</b> (if applicable)	<b>YES</b> (if applicable)
4.2	MBD 6.1 - Preference points claim form	<b>YES</b>	<b>YES</b>
4.3	MBD 8 - Declaration of bidders' past supply chain management practices	<b>YES</b>	<b>YES</b>
4.4	MBD 9 - Declaration of independent bid determination	<b>YES</b>	<b>YES</b>
5.	Form of offer <b>(The Contract: Section 3)</b>	<b>YES</b>	<b>YES</b>

## **THE CONTRACT**

## SECTION 1: THE SCOPE OF WORK

### 1. BACKGROUND

The O.R. Tambo District Municipality is engaged in an effort to improve and accelerate delivery of Rural Subsidy houses within the district and to fast track the implementation of these projects. The Municipality is calling on Small, Medium and Enterprises/Small Emerging Contractor's with high performing capacity to undertake the construction of 158 units in Ingquza Hill Local Municipality and other local municipalities with the district. The entire project will initially consist of 158 new units in various wards within the Ingquza Hill Local Municipality, namely ward 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31 & 32.

The District Municipality intends to create work opportunities for Local SMME contractors who are Exempted Micro Enterprise (EME's) contractors and or Qualifying Small Enterprise (QSE's) from the Ingquza Hill Local Municipality, in line with the Municipality Emerging Contractor Development policy of 2007 and the Broad Based Black Economic Empowerment (BBBEE) Framework.

### 2. PROJECT LOCATION

The Ingquza 158 Destitute Housing Project is located in various villages and wards of Ingquza Hill Local Municipality which falls under O.R. Tambo District Municipality, namely ward 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31 & 32.

### 3. SCOPE OF WORK

The successful bidders will be responsible for the construction Hundred and fifty-eight (158), forty square meter (40 m<sup>2</sup>) top structures with water tank, rain water goods, VIP Toilet, Ceiling & Electrification.

### 4 MINIMUM SPECIFICATIONS

#### 1.1 GENERAL

1.1.1 All works to be carried out in compliance with the Department of Housing Generic Specifications (GFSH 1 to 11) and the Technical Guidelines as contained in the Housing Code and NHBRC Home Builders Manual;

1.1.2 All Department of Labour and Expanded Public Works Program (EPWP) requirements should be met;

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- 1.1.3 All works to be done in compliance with the current Health & Safety Regulations inclusive of the Covid-19 regulations;
- 1.1.4 All works must also be done in compliance with all Environmental Regulations; and
- 1.1.5 All relevant Local Authority requirements to be adhered to and relevant permission obtained.

**1.2 WATER TANKS:**

- 1.2.1 must be a minimum size of 2500 litres (SABS approved);
- 1.2.2 Tanks to be seated on a plinth of minimum height of 0.5m;
- 1.2.3 Tank stand must be designed & Constructed to support the full tank as well as withstand all weather conditions; and Gutters and downpipes provided to drain the entire roof into the tank.
- 1.2.4 Gutters and downpipes must be fixed to the wall up to the water tank and must be designed and constructed to withstand all weather conditions while the tank is empty or full

**4.3 TOPSTRUCTURE**

In addition to the specification already mentioned, the following are additional minimum requirements:

- 4.3.1 2011 revised National Building regulations; South African National Standards (SANS) 10400 XA Energy Usage in Buildings.
- 4.3.2 SABS approved roof trusses to be used and Roof Covering to be cement roof tiles
- 4.3.3 Smaller size windows and special low E clear and E opaque safety glass for all window types
- 4.3.4 Concrete aprons to be provided on all 4 sides with a minimum width of 1000mm; including storm water management precautionary measures (as per NHBRC project enrolment requirement).
- 4.3.5 Fascia's and barge boards to be provided;
- 4.3.6 House to be plastered and painted both internally and external
- 4.3.7 Installation of a ceiling with the air brick above and below the ceilings for the entire dwelling.
- 4.3.8 Installation of an electrical wiring including plugs, lights, ready board and power point socket to all living areas of the house.
- 4.3.9 Installation of above ceiling insulation comprising a 130mm mineral fibre glass blanket for the entire house; and

4.3.10 Installation of an electrical wiring including plugs, lights, ready board and power point socket to all living areas of the house.

#### **4.4 VIP TOILET**

4.4.1 VIP toilets must be built to withstand all weather conditions;

4.4.2 Top Structure Floor area of minimum 1 m<sup>2</sup> and minimum internal height of 1,8m;

4.4.3 Prefabricated concrete walls that can be disassembled and reassembled with ease (panel sizes must allow assembly without mechanical assistances);

4.4.4 Top structure floor must be anchored;

4.4.5 Stainless steel fully galvanized lockable and spring-loaded door;

4.4.6 Roof (prefabricated concrete);

4.4.7 Concrete floor

4.4.8 100mm black ventilation pipe fixed to the back of the toilet top structure, extending minimum 200mm above the roof (to ventilate the pit);

4.4.9 Pit has to be minimum volume of 2.2 m<sup>3</sup> and to be lined; and

4.4.10 Pit to be sealed if detected by the Groundwater Protocol investigation

4.4.11 Wheel chair bound beneficiaries top structures floor area must be a minimum of 4.8 m<sup>2</sup>; and minimum internal height of 1.8 m with grab-rails and concrete ramp.



**SECTION 2: PRICING SCHEDULE**

**Pricing Schedule**

When submitting this tender, the tenderers shall note that the sites are vastly scattered in various wards and villages within Ingquza Hill Local Municipality and must quote as to the nature and extent of the works to be done.

Tenderers must also note that low cost housing is VAT zero rated.

**Bill of Quantities**

No	Description	Unit	Quantity	Rate
<b>1.</b>	<b>Construction</b>			
1.1	Foundation	Each	1	
1.2	Super-Structure( Wall-plate Level)	Each	1	
1.3	Roof	Each	1	
1.4	2,5 KL Rain Water Tank (incl. Tank Stand)	Each	1	
1.5	Electrification ( incl. Certificate of Compliance)	Each	1	
1.6	Precast VIP Toilet	Each	1	
1.7	1m Concrete Apron	Each	1	
1.8	Finishes (incl. Ceiling, Barde & Fascia Boards, Painting, Glazing, rainwater goods/downpipes, Internal & External Paster & Paint and FUR)	Each	1	
<b>2</b>	<b>Social Facilitation</b>			
	Signing of Happy Letter	Each	1	
<b>SUMMARY</b>				
<b>Total Cost to Construction</b>		Each	<b>1</b>	
<b>Total Cost to Social Facilitation</b>		Each	<b>1</b>	
<b>TOTAL COST TO COMPLETE</b>				

.....

Name of bidder

.....

Bidder's stamp

.....

Signature

.....

Date

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**Pricing instructions:**

- (i) The bidder's price offer shall be valid for 90 days from the closing date of this tender, or for such extended period as may be requested by the municipality and accepted by the bidder.
- (ii) The rates and prices submitted by the bidder must be entered into the pricing schedule above.
- (iii) No deviations from the pricing schedule will be permitted, except where indicated separately in the Schedule of Variations from Goods and Services.
- (iv) The bid price must be inclusive of VAT, where the bidder is a registered VAT vendor.
- (v) Bidders must provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract.
- (vi) Should there be a discrepancy between the total bid amount in the pricing schedule, and that in the form of offer; the price in the form of offer will take precedence. Where there is a discrepancy between the amount in figures and the amount in words, the amount in words will govern.

**SECTION 3: FORM OF OFFER AND ACCEPTANCE**

**PART 1 (OFFER TO BE COMPLETED BY THE BIDDER)**

O.R. Tambo District Municipality has solicited offers to enter into the following contract:

**APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF 3 YEARS ( 36 MONTHS)**

I, the Bidder, hereby undertake to supply and deliver all or any of the goods and/or works described in the attached bidding documents to O.R. Tambo District Municipality in accordance with the requirements and specifications stipulated in bid number **ORTDM SCMU 06-22/23**, at the price/s quoted. My offer/s shall remain binding upon me and open for acceptance by the Municipality during the validity period indicated and calculated from the closing time of bid.

1. The following documents shall be deemed to form and be read and construed as part of this Agreement:
  - (i) This Bid document, namely -
    - The Scope of Work;
    - The Pricing Schedule;
    - This Form of Offer & Acceptance;
  - (ii) Bidder's Tender Proposal;
  - (iii) The General Conditions of Contract;
  - (iv) The Special Conditions of Contract (if any);
  - (v) Service Level Agreement concluded by the appointed bidder and the Municipality (if any).

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorized to sign this contract.

The **TOTAL BID PRICE** inclusive of value-added tax (where applicable) is

.....

.....

..... Rand

(in words); R ..... (in figures)

**TENDER NO. ORTDM SCMU 06-22/23: APPOINTMENT OF A PANEL OF SMALL MEDIUM AND MICRO ENTERPRISES TO PROVIDE EMERGENCY HOUSING AT OR TAMBO DISTRICT MUNICIPALITY FOR A PERIOD OF 3 YEARS (36 MONTHS)**

This offer may be accepted by the authorised O.R. Tambo District Municipality representative signing the acceptance part of this form of offer and acceptance, and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender conditions, whereupon the tenderer becomes the party named as the appointed service provider in terms of the conditions of contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES:</b> 1 .....
2 .....
DATE: .....

**FAILURE BY THE BIDDER TO COMPLETE THIS FORM IN ITS ENTIRETY INCLUDING SIGNING THE FORM, SHALL DISQUALIFY ITS BID.**

**PART 2 (ACCEPTANCE TO BE COMPLETED BY O.R. TAMBO DISTRICT MUNICIPALITY)**

By signing this part of the form of offer and acceptance, the Municipality accepts the bidder's offer. In consideration thereof, the Municipality shall pay the appointed supplier the amount due in accordance with PART 1 of this offer and acceptance. Acceptance of the bidder's offer shall form an agreement between O.R. Tambo District Municipality and the bidder upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

1. I..... in my capacity as .....  
..... accept your bid under reference number  
..... dated..... for the supply of the  
goods and/or works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.
4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE:.....



## SECTION 5: GENERAL CONDITIONS OF CONTRACT

The contract between the Municipality and the appointed bidder will be administered in terms of the **General Conditions of Contract 2010 (National Treasury)**.

### 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.

#### General Conditions of Contract

##### 1. Definitions

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 anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "**Countervailing duties**" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "**Country of origin**" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "**Day**" means calendar day.
- 1.8 "**Delivery**" means delivery in compliance of the conditions of the contract or order.
- 1.9 "**Delivery ex stock**" means immediate delivery directly from stock actually on hand.
- 1.10 "**Delivery into consignees store or to his site**" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11 "**Dumping**" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "**Force majeure**" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "**Fraudulent practice**" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “**GCC**” means the General Conditions of Contract.

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

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

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

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

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

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

1.21 “**Purchaser**” means the organization purchasing the goods.

1.22 “**Republic**” means the Republic of South Africa.

1.23 “**SCC**” means the Special Conditions of Contract.

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

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

## 2. Application

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

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

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

## 3. General

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

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

## 4. Standards

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

## 5. Use of Contract Documents and information; inspection.

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



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

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

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

## **6. Patent rights**

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

## **7. Performance Security**

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

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

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

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

(b) a cashier's or certified cheque.

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

## **8. Inspections, tests and analyses**

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

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

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

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

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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;

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- (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.

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16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment 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 contract 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.

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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.

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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 antidumping 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 favorable 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 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.

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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

**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.

**-End-**