

## REQUEST FOR PROPOSALS

<b>YOU ARE HEREBY INVITED TO SUBMIT A BID TO MEET THE REQUIREMENTS OF UMALUSI</b>	
<b>BID NUMBER:</b>	<b>UMALUSI (22-23) T0001</b>
<b>DESCRIPTION OF BID:</b>	<b>APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE ENTERPRISE RESOURCE PLANNING SOLUTION TO UMALUSI</b>
<b>DATE OF ADVERTISING</b>	<b>25 NOVEMBER 2022</b>
<b>BRIEFING SESSION DATE:</b>	<b>06 DECEMBER 2022</b> (Compulsory briefing session will be held virtually. Bidders who are interested in attending must indicate by sending an email to <a href="mailto:tenders@umalusi.org.za">tenders@umalusi.org.za</a> on or before <b>01 DECEMBER 2022</b> in order to receive the Teams meeting link)
<b>BRIEFING SESSION TIME:</b>	<b>10:00</b> (Compulsory briefing session will be held virtually. Bidders who are interested in attending must indicate by sending an email to <a href="mailto:tenders@umalusi.org.za">tenders@umalusi.org.za</a> on or before <b>01 DECEMBER 2022</b> in order to receive the Teams meeting link)
<b>CLOSING DATE:</b>	<b>20 JANUARY 2023</b>
<b>CLOSING TIME:</b>	12:00 Telkom time (Bidders will not be permitted to submit their proposals after the set time)
<b>CLOSING DATE FOR BID ENQUIRIES</b>	<b>09 DECEMBER 2022</b> at 12:00 precisely. All enquiries must be directed to <a href="mailto:tenders@umalusi.org.za">tenders@umalusi.org.za</a>
<b>PERIOD FOR WHICH BID IS REQUIRED TO REMAIN OPEN FOR CCEPTANCE:</b>	180 days (submissions must be valid for 180 days after the closing date)
<b>BID DOCUMENTS DELIVERY ADDRESS:</b>	UMALUSI 37 GENERAL VAN RYNEVELD STREET PERSEQUOR TECHNOPARK PRETORIA
<b>NAME OF BIDDER:</b>	
<b>CONTACT PERSON:</b>	
<b>E-MAIL ADDRESS:</b>	
<b>TELEPHONE NUMBER:</b>	

<b>FAX NUMBER:</b>	
<b>BIDDER'S STAMP OR SIGNATURE</b>	

## CHECKLIST OF COMPULSORY RETURNABLE SCHEDULES AND DOCUMENTS

**Please adhere to the following instructions**

- Tick in the relevant block below.
- Use the prescribed sequence in attaching the annexures when completing the Bid Document.
- Ensure that the following documents are completed and signed where applicable:

YES	NO	
		Original Bid and a Copy – (both hard copies clearly marked as either original and copy) and <b>one ELECTRONIC COPY – USB.</b>  <b>Important:</b> Kindly note that every document that is submitted as part of the original submission, must be <u>duly authorised with the required signatures or initials on each page</u> . Failure to comply will result in the bid being noted as incomplete.
		<b>Part A:</b>
		Specifications, Conditions of BID and Undertakings by Bidder
		Certificate of Authority for Joint Ventures
		<b>Annexure A:</b> Statement of Works
		<b>Annexure B:</b> SBD 1 - Invitation to Bid
		<b>Annexure C:</b> SBD 3.2 – Pricing Schedule – Non-Firm Prices (Purchases)
		<b>Annexure D:</b> SBD 2 - Tax Clearance Certificate Requirement
		<b>Annexure E:</b> SBD 4 - Declaration of Interest
		<b>Annexure F:</b> SBD 6.1 and B-BBEE status level certificate
		<b>Annexure G:</b> General Conditions of Contract
		<b>Annexure H:</b> Bidder's Company Profile

## **PART A: SPECIFICATIONS, CONDITIONS OF BID AND UNDERTAKINGS BY BIDDER**

### **1. DEFINITIONS**

In this Request for Proposals, unless a contrary intention is apparent:

- 1.1 **B-BBEE** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act, 2003.
- 1.2 **B-BBEE Act** means the Broad-Based Black Economic Empowerment Act, 2003.
- 1.3 **Business Day** means a day which is not a Saturday, Sunday or public holiday.
- 1.4 **Bid** means a written offer in the prescribed or stipulated form lodged by a Bidder in response to an invitation in this Request for Proposal, containing an offer to provide goods, works or services in accordance with the Specification as provided in this Bid.
- 1.5 **Bidder** means a person or legal entity, or an unincorporated group of persons or legal entities that submit a Bid.
- 1.6 **Bidding Process** means the process commenced by the issuing of this Request for Proposals and concluding upon formal announcement by Umalusi of the selection of a successful Bidder(s) or upon the earlier termination of the process.
- 1.7 **Companies Act** means the Companies Act 71 of 2008, as amended.
- 1.8 **Closing Time** means the time, specified as such under the clause 3 (Bid Timetable) in Part C, by which BIDs must be received.
- 1.9 **EME**-means an exempted micro enterprise in terms of a code of good practice on Black Economic Empowerment issued in terms of section 9(1) of Broad-Based Black Economic Empowerment Act.
- 1.10 **PFMA** means the Public Finance Management Act 1 of 1999, as amended.
- 1.11 **PPPFA** means the Preferential Procurement Policy Framework Act 5 of 2000, as amended.
- 1.12 **PPPFA Regulations** means the Preferential Procurement Regulations 2017, published in terms of the PPPFA.
- 1.13 **Proposed Contract** means the agreement including any other terms and conditions contained in or referred to in this BID that may be executed between Umalusi and the successful Bidder.
- 1.14 **Request for Proposal** or **BID** means this document (comprising each of the parts identified under Part A, Part B, Part C and Part D) including all annexures and any other documents so designated by Umalusi.

- 1.15 **SARS** means the South African Revenue Service.
- 1.16 **Services** means the services required by Umalusi, as specified in this Bid Part D.
- 1.17 **SLA** means Service Level Agreement.
- 1.18 **Specification** means the conditions of bid set and any specification or description of Umalusi's requirements contained in this bid.

**2. SUPPLY CHAIN MANAGEMENT UNIT**

- 2.1 Only questions, queries clarifications which are submitted to this e-mail address, [tenders@umalusi.org.za](mailto:tenders@umalusi.org.za) will be addressed.
- 2.2 Bid documents must be submitted as follows:
  - 2.2.1 Original Bid and a Copy – (both hard copies clearly marked as original or copy) and
  - 2.2.2 One Soft Copy.
- 2.3 **Canvassing of any Umalusi employee will result in an immediate disqualification of the bidder.**

**3. BID TIMETABLE**

- 3.1 This timetable is provided as an indication of the timing of the bidding process. It is indicative only and subject to change by Umalusi. Bidders are to provide proposals that will allow achievement of the intended commencement date.

<b>Activity</b>	<b>Date</b>
Advertisement of bid	<b>25 November 2022</b>
Bid document available	<b>25 November 2022</b>
Closing date for bid enquiries	<b>09 December 2022 at 12:00</b> All enquiries must be directed to: <a href="mailto:tenders@umalusi.org.za">tenders@umalusi.org.za</a>
Briefing Session	<b>06 December 2022 @ 10:00 precisely</b> <b>Umalusi</b> <b>37 General Van Ryneveld Street</b> <b>Persequor Technopark</b> <b>Pretoria</b>
Closing date and time	<b>20 January 2023 at 12:00 precisely</b>

**4. SUBMISSION OF BIDS**

4.1 Hardcopies of bids are to be submitted to:

Physical Address of bid box	UMALUSI 37 GENERAL VAN RYNEVELD STREET PERSEQUOR TECHNOPARK PRETORIA
Hours of access to bid box	Monday to Friday: 08:00 to 16:00
Information to be marked on package containing bid	Umalusi Supply Chain Management Unit BID Ref. <b>UMALUSI (22-23) T0001</b>

4.2 **Important:** Kindly note that every document that is submitted as part of the original submission, must be duly authorised with the authorised signature or initials on each and every page. Failure to comply will result in the bid being noted as incomplete.

**5. RULES GOVERNING THIS BID AND THE BIDDING PROCESS**

- 5.1 Participation in the bidding process is subject to compliance with the rules contained in part C of this bid.
- 5.2 All persons (whether or not a participant in this bidding process) having obtained or received this bid may only use it, and the information contained herein, in compliance with the rules contained in this bid.
- 5.3 All bidders are deemed to accept the rules contained in part C of this bid.

**6. STATUS OF REQUEST FOR PROPOSAL**

6.1 This bid is an invitation for person(s) to submit a proposal(s) for the provision of the services as set out in the scope contained in this bid. Accordingly, this bid must not be construed, interpreted, or relied upon, whether expressly or implicitly, as an offer capable of acceptance by any person(s), or as creating any form of contractual, promissory or other rights. No binding contract or other understanding for the supply of services will exist between Umalusi and any bidder unless and until Umalusi has executed a formal written contract with the successful bidder.

**7. ACCURACY OF REQUEST FOR PROPOSAL**

7.1 Whilst all due care has been taken in connection with the preparation of this bid, Umalusi makes no representations or warranties that the content in this bid or any information communicated to or provided to bidders during the bidding process is, or will be, accurate, current or complete. Umalusi, and its officers and employees will not be liable with respect to any information communicated which is not accurate, current or complete.

- 7.2 If a bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by Umalusi, the bidder must promptly notify Umalusi in writing of such discrepancy, ambiguity, error or inconsistency in order to afford Umalusi an opportunity to consider what corrective action is necessary (if any).
- 7.3 Any actual discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by Umalusi will, if possible, be corrected and provided to all bidders without attribution to the bidder who provided the written notice.

## **8. ADDITIONS AND AMENDMENTS TO THE BID**

- 8.1 Umalusi reserves the right to change any information in, or to issue any addendum to this bid before the closing time. Umalusi and its officers or employees will not be liable in connection with either the exercise of, or failure to exercise, this right.
- 8.2 If Umalusi exercises its right to change information in terms of clause 8.1, it may seek amended bids from all bidders.

## **9. REPRESENTATIONS**

No representations made by or on behalf of Umalusi in relation to this bid will be binding on Umalusi unless that representation is expressly incorporated into the contract ultimately entered into between Umalusi and the successful bidder.

## **10. CONFIDENTIALITY**

- 10.1 The information contained in this document is of a confidential nature, and must only be used for purposes of responding to this bid. This confidentiality clause extends to supplier partners and / or implementation agents, whom you may decide to involve in preparing a response to this bid.
- 10.2 For purposes of this process, the term "Confidential Information" shall include all technical and business information, including, without limiting the generality of the foregoing, all secret knowledge and information (including any and all financial, commercial, market, technical, functional and scientific information, and information relating to a party's strategic objectives and planning and its past, present and future research and development), technical, functional and scientific requirements and specifications, data concerning business relationships, demonstrations, processes, machinery, know-how, architectural information, information contained in a party's software and associated material and documentation, plans, designs and drawings and all material of whatever description, whether subject to or protected by copyright, patent or trademark, registered or unregistered, or otherwise disclosed or communicated before or after the date of this process.
- 10.3 The receiving party shall not, during the period of validity of this process, or at any time thereafter, use or disclose, directly or indirectly, the Confidential Information of Umalusi (even if received before the date of this process) to any person whether in the

employment of the receiving party or not, who does not take part in the performance of this process.

- 10.4 The receiving party shall take all such steps as may be reasonably necessary to prevent Umalusi' s Confidential Information coming into the possession of unauthorised third parties. In protecting the receiving party's Confidential Information, Umalusi shall use the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorised use or disclosure of the Confidential Information as the receiving party uses to protect its own Confidential Information.
- 10.5 Any documentation, software or records relating to Confidential Information of Umalusi, which comes into the possession of the receiving party during the period of validity of this process or at any time thereafter or which has come into its possession before the period of validity of this process:
  - 10.5.1 Shall be deemed to form part of the Confidential Information of Umalusi;
  - 10.5.2 Shall be deemed to be the property of Umalusi;
  - 10.5.3 Shall not be copied, reproduced, published or circulated by the receiving party unless and to the extent that such copying is necessary for the performance of this process and all other processes as contemplated herein; and
  - 10.5.4 Shall be surrendered to Umalusi on demand, and in any event on the termination of the investigations and negotiations, and the receiving party shall not retain any extracts.

## **11. REQUESTS FOR CLARIFICATION OR FURTHER INFORMATION**

- 11.1 All communications relating to this bid and the bidding process must be directed to [tenders@umalusi.org.za](mailto:tenders@umalusi.org.za) e-mail address only.
- 11.2 Any communication by a bidder to Umalusi will be effective upon receipt by the Supply Chain Management Unit.
- 11.3 Umalusi has restricted the period during which it will accept questions or requests for further information or clarification and reserves the right not to respond to any enquiry or request, irrespective of when such enquiry or request is received.
- 11.4 A bidder may, by notifying the Supply Chain Management Unit in writing, withdraw a question submitted in accordance with this clause, in circumstances where the bidder does not wish Umalusi to publish its response to the question to all bidders.

## **12. UNAUTHORISED COMMUNICATIONS**

- 12.1 Communication (including promotional or advertising activities) with staff of Umalusi is not permitted during the bidding process, or otherwise without the prior consent of the Bid Adjudication Committee.
- 12.2 Bidders must not otherwise engage in any activities that may be perceived as, or that may have the effect of, influencing the outcomes of the bidding process in any way.



### **13. IMPROPER ASSISTANCE, FRAUD AND CORRUPTION**

- 13.1 Bidders may not seek or obtain the assistance of employees of Umalusi in the preparation of their bid responses.
- 13.2 Umalusi may in its absolute discretion, immediately disqualify a bidder that it believes has sought or obtained such improper assistance.
- 13.3 Bidders are to be familiar with the implications of contravening the Prevention and Combating of Corrupt Activities Act, 2004 and any other relevant legislation.

### **14. CONFLICT OF INTEREST**

- 14.1 A Bidder must not, and must ensure that its officers, employees, agents and advisors do not, place themselves in a position that may give rise to actual, potential or perceived conflict of interest between the interests of Umalusi and the bidder's interests during the bidding process.
- 14.2 The Bidder is required to provide details of any interests, relationships or clients which may or do give rise to a conflict of interest in relation to the supply of the services under any contract that may result from this bid. If the Bidder submits its bid and a subsequent conflict of interest arises, or is likely to arise, which was not disclosed in the bid, the Bidder must notify Umalusi immediately in writing of that conflict.
- 14.3 Umalusi may immediately disqualify a Bidder from the Bidding Process if the Bidder fails to notify Umalusi of the conflict as required.

### **15. LATE BIDS**

- 15.1 Bids must be delivered by Closing Time.
- 15.2 Bids delivered after the Closing Time or lodged at a location or in a manner that is contrary to that specified in this bid will be disqualified from the Bidding Process and will be ineligible for consideration.

### **16. PREPARATION OF BIDS**

- 16.1 Bidders must ensure that:
  - 16.1.1 their Bid is submitted in the required format as stipulated in this bid; and
  - 16.1.2 All the required information fields in the Bid are completed in full and contain the information requested by Umalusi.
- 16.2 Umalusi may in its absolute discretion reject a bid that does not include the information requested or is not in the format required.
- 16.3 Unnecessarily elaborate responses or other representations beyond that which is sufficient to present a complete and effective Bid proposal are not desired or required. Elaborate and expensive visual and other presentation aids are not necessary.
- 16.4 Where the Bidder is unwilling to accept a specified condition, the non-acceptance must be clearly and expressly stated. Prominence must be given to the statement detailing the non-acceptance. It is not sufficient that the statement appears only as part of an

attachment to the Bid, or be included in a general statement of the Bidder's usual operating conditions.

- 16.5 An incomplete Bid may be disqualified or assessed solely on the information completed or received with the bid.

## **17. ILLEGIBLE CONTENT, ALTERATION AND ERASURES**

- 17.1 Umalusi may disregard any content in a Bid that is illegible and will be under no obligation whatsoever to seek clarification from the Bidder.
- 17.2 Umalusi may permit a Bidder to correct an unintentional error in its Bid where that error becomes known or apparent after the Closing Time, but in no event will any correction be permitted if Umalusi reasonably considers that the correction would materially alter the substance of the Bid or affect the fairness of the Bidding Process.

## **18. RESPONSIBILITY FOR BIDDING COSTS**

- 18.1 The Bidder's participation or involvement in any stage of the Bidding Process is at the Bidder's sole risk, cost and expense. Umalusi will not be held responsible for, or pay for, any expense or loss that may be incurred by Bidders in relation to the preparation or lodgement of their Bid.
- 18.2 Umalusi is not liable to the Bidder for any costs on the basis of any contractual, promissory or restitutionary grounds whatsoever as a consequence of any matter relating to the Bidder's participation in the Bidding Process, including without limitation, instances where:
- 18.2.1 the Bidder is not engaged to perform under any contract; or
  - 18.2.2 Umalusi exercises any right under this bid or at law.

## **19. DISCLOSURE OF BID CONTENTS AND BID INFORMATION**

- 19.1 All Bids received by Umalusi will be treated as confidential. Umalusi will not disclose the contents of any Bid and Bid information, except:
- 19.1.1 as required by law;
  - 19.1.2 for the purpose of investigations by other government authorities having relevant jurisdiction;
  - 19.1.3 to external consultants of Umalusi engaged to assist with the Bidding Process; or for the general information of Bidders required to be disclosed as per
  - 19.1.4 National Treasury Regulations, Guidelines, Instruction Notes or Practice Notes.

## **20. BID ACCEPTANCE**

All Bids received must remain open for acceptance for a minimum period of 180 (One hundred and eighty) days from the Closing Time. This period may be extended by written mutual agreement between Umalusi and the Bidder.

## 21. EVALUATION PROCESS

21.1 The Bids will be evaluated in four (4) gates as follows:

21.2 The Bids will be evaluated and adjudicated as follows:

### 21.2.1 **Gate 1- Administrative compliance**

Only those Bidders which satisfy all of the Pre-Qualification Criteria will be eligible to participate in the bidding Process further. Bids which do not satisfy all of the Pre-Qualification Criteria will not be evaluated further.

### 21.2.2 **Gate 2- Mandatory technical criteria**

Only bidders who comply with the mandatory technical requirements will be eligible for further evaluation. An offer that fails to meet the mandatory technical requirements shall be disqualified.

### 21.2.3 **Gate 3 – Functional evaluation**

Bidders are evaluated based on the functional criteria set out in this tender. Only those bidders that score 70 points or higher (out of a possible 100) during the functional evaluation will be evaluated during the Gate 3 of the Bid.

### 21.2.4 **Gate 4 – Price and preferential points**

21.2.4.1. Those Bidders which have passed Gate 3 of the bidding Process will be scored on the basis of price and preference point allocation in accordance with the applicable legislation.

21.1.4.2 The successful Bidder will typically be the Bidder that scores the highest number of points from the Gate 4 of the bid evaluation, unless Umalusi exercises it's right to cancel the TENDER or finds that there are valid businesses or transformative reasons that justify the award to a company that did not obtain the highest score.

### 21.2. **Gate 1- Pre-Qualification Criteria**

21.2.1. The following administrative criteria will be applied in the initial stage of the evaluation. **Bidders who do not meet all of the administrative compliance criteria may not be considered for Gate 2 of the evaluation.**

21.2.2. Bidders are required to complete the table below by indicating whether they comply with the requirement by marking the appropriate column with an 'X' on the table below. Bidders are required to corroborate each requirement, where applicable.

Requirements	Non-Compliant	Compliant	Comment or reference to section in the bid Document
1. Correctly completed tender signed and initialled by authorized signatories.			
2. Include board resolution for delegation of authority. The following proof MUST be produced: Proof that the person who signed the proposal has the authority to do so.			
3. A valid SARS Tax Status Certificate / SARS tax pin.			
4. Central Supplier Database proof of registration.			
5. Companies and Intellectual Property Commission, Company Registration.			
6. The above stated requirements (4-6) are also applicable to all members of consortia or joint venture who submit joint Bids.			
7. Bidder has submitted all returnable documentation to Umalusi (Annexures and SBD forms) (SBD 1; SBD 2; SBD 3.1 or d3.3; SBD 4; SBD 6.1)			
8. Certificate of Authority for Joint Ventures/Joint Venture agreement			

Requirements	Non-Compliant	Compliant	Comment or reference to section in the bid Document
9. Company profile(s) indicating expertise of key personnel			
10. General Conditions of Contract – signed or Initialled on all pages			

21.3. **Gate 2 - Mandatory Criteria**

Please complete the table below by indicating “yes” or “no” to confirm whether this requirement is met and provide explanations/ comments to support your answers. NB: Bids that score NO for any items in the mandatory criteria section will be disqualified and will not advance to the Gate 3 of the evaluation.

Mandatory Requirments	YES/NO	Provide Documentation (Reference)
1. Attendance of compulsory Information Session.		
2. Provide detailed technical solution architecture and design based on scope of work		
3. Provide detailed project management methodology to be used. Phases included in the methodology must be in line with the delivery of this project, Based on the scope of work.		
4. Provide a training plan based on training needs detailed under the scope of work		

21.4. **Gate 3: Functional Evaluation**

21.4.1. Only those Bidders which score 70 points or higher (out of a possible 100) during the functional evaluation will be evaluated during the Gate 4 of the Bid.

The Functional Criteria that will be used to test the capability of Bidders are as follows:

Technical Mandatory	Substantiating evidence of compliance (used to evaluate bid)	Evidence reference (to be completed by bidder)	WEIGH TING	SCORE
<p><b>Bidder Experience</b></p> <p>The bidder must have provided ERP Solution implementation, maintenance and support services to different customers.</p>	<p>Provide letters of affirmation from South African Business or Government customers to whom an ERP Solution implementation, maintenance and support services were rendered. Each letter must be dated, signed by the customer and on a letterhead of the customer and must indicate:</p> <ul style="list-style-type: none"> <li>(a) The customer Company name and physical address;</li> <li>(b) Customer contact person's name, telephone number and email address;</li> <li>(c) Successful Implementation ERP modules.</li> <li>(d) Service Start and end date;</li> <li>(e) Location of the referring company.</li> </ul>	<p>Provide reference to locate substantiating evidence in the bid proposal.</p> <p>4 or more Letters = <b>30 Points</b>            3 Letters = <b>21 Points</b>            2 Letters = <b>14 Points</b>            1 Letter = <b>7 Points</b></p> <p><b>A maximum of 30 points is allocated for 4 or more letters submitted.</b></p>	<p><b>30</b></p>	
<p><b>Bidder Professional Experience for Key Resources</b></p> <p>The bidder must provide skill metrics and CVs for key</p>	<p>Provide technical OEM certified resources and non-technical project management resources with at least five (5) years' experience in deploying, implementing,</p>	<p><b>Minimum of five (5) years,</b> rendering, managing ERP and implementations based on the work.</p> <p>Bidder to provide CVs of resources to be</p>	<p><b>30</b></p>	

<p>resources.</p>	<p>and or managing Microsoft Dynamics or equivalent Enterprise Resource Planning Solutions.</p> <p>The following experienced resources are required:</p> <ul style="list-style-type: none"> <li>• Enterprise Architect.</li> <li>• Project Manager.</li> <li>• Engineer/Developer/Configuration Specialist</li> <li>• Engineer/Developer/Configuration Specialist</li> </ul> <p><b>The Project team must compromise of at least the above mention resources.</b></p>	<p>allocated on the project.</p> <p>Professional Experience per individual resource.</p> <p>4 or more resources = 30 Points  3 resources = <b>21 Points</b>  2 resources = <b>14 Points</b>  1 Resource = <b>7 Points</b></p> <p><b>Maximum score is calculated on 4 resources</b></p>		
<p><b>Bidder Certification/Affiliation Requirements:</b></p> <p>The bidder must be accredited by Microsoft or an equivalent OEM, Based on latest competencies for Microsoft Dynamics or equivalent deployments, implementations and maintenance.</p>	<p>Provide proof of official solution partner certification from the product manufacturers.</p> <p>The letter must include the following;</p> <p>(a) The bidder names</p> <p>(b) The bidder latest competency certification based on the below;</p> <ol style="list-style-type: none"> <li>a. Enterprise Resource Planning</li> <li>b. Cloud Business Applications</li> <li>c. Windows device and deployment</li> <li>d. Cloud Productivity</li> <li>e. Cloud Platform</li> <li>f. Messaging</li> <li>g. Content and Collaboration</li> <li>h. Application Development</li> </ol>	<p>Provide the latest letter of competency from the manufacturers.</p> <p><b>Based on each individual competency;</b>  Gold = 5  Silver = 3  Bronze =2  (or equivalent OEM's affiliation rating)</p> <p><b>Each competence is evaluated separately based on the letters of competencies received</b></p> <p><b>Maximum score is calculated on 8 competencies.</b></p>	<p><b>40</b></p>	

	(c) date the partnership was established, and  (d) Information stating that the partnership is valid at time of bid.  (e) Level of the partnership.			
	<b>TOTAL</b>		<b>100</b>	

**NB:** A minimum of **70 points out of 100** for the functional / evaluation will qualify the Bid to move on to the second stage of evaluation, which is price and preferential points evaluation. Bidders that do not score **70 points** or higher at this stage of the evaluation will not be evaluated during the second stage of the evaluation, which is Price and B-BBEE.

21.5. **Gate 4 – Price and B-BBEE Criteria**

21.5.1. Subsequent to the evaluation of Pre-Qualifying Criteria and functional criteria, points will be allocated to Bidders at this stage of the evaluation in accordance with PPPFA Regulations, as follows:

Price Points **80**  
 Preferential Procurement Points **20**

21.4.2 **Price Points**

The following formula will be used to calculate the points for price:

$$Ps = 80(1-(Pt-Pmin)/Pmin)$$

Where:

- Ps = Points scored for comparative price of Bid or offer under consideration;
- Pt = Comparative price of Bid or offer under consideration; and
- Pmin = Comparative price of lowest acceptable Bid or offer



### 21.4.3 Preferential Procurement Points

A maximum of 20 points may be awarded in respect of preferential procurement, which points must be awarded to a bidder for attaining their B-BBEE Status Level in accordance with the table below:

B-BBEE Status Level	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

An unincorporated trust, consortium or Sub-contractors 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.

## 22 NOTE TO BIDDERS

22.1 As part of evaluation process Umalusi will conduct a reference check on the provided referee. **Bidders who do not meet all the Criteria will not be considered for award.**

## 23 STATUS OF BID

23.1 Each Bid constitutes an irrevocable offer by the Bidder to Umalusi to provide the Services required and otherwise to satisfy the requirements of the specification as set out in this BID.

23.2 A Bid must not be conditional on:

23.2.1 the Board approval of the Bidder or any related governing body of the Bidder being obtained;

23.2.2 the Bidder conducting due diligence or any other form of enquiry or investigation;

23.2.3 the Bidder (or any other party) obtaining any regulatory approval or consent;

23.2.4 the Bidder obtaining the consent or approval of any third party; or

23.2.5 The Bidder stating that it wishes to discuss or negotiate any commercial terms of the contract.

- 23.3 Umalusi may, in its absolute discretion, disregard any Bid that is, or is stated to be, subject to any one or more of the conditions detailed above (or any other relevant conditions).
- 23.4 Umalusi reserves the right to accept a Bid in part or in whole or to negotiate with a Bidder in accordance with the provisions of this Bid and the applicable laws and regulations.

## **24 SUCCESSFUL BIDS**

- 24.1 Selection as a successful Bidder does not give rise to a contract (express or implied) between the successful Bidder and Umalusi for the supply of the Services. No legal relationship will exist between Umalusi and a successful Bidder for the supply of the Services until such time as a binding contract is executed by them.
- 24.2 Umalusi may, in its absolute discretion, decide not to enter into pre-contractual negotiations with a successful Bidder.
- 24.3 A Bidder is bound by its Bid and all other documents forming part of the Bidder's Response and, if selected as a successful Bidder, must enter into a contract on the basis of the Bid with or without further negotiation.

## **25 NO OBLIGATION TO ENTER INTO CONTRACT**

- 25.1 Umalusi is under no obligation to appoint a successful Bidder or Bidders (as the case may be), or to enter into a contract with a successful Bidder or any other person, if it is unable to identify a Bid that complies in all relevant respects with the requirements of Umalusi, or if due to changed circumstances, there is no longer a need for the services requested, or if funds are no longer available to cover the total envisaged expenditure. For the avoidance of any doubt, in these circumstances Umalusi will be free to proceed via any alternative process.
- 25.2 Umalusi may conduct a debriefing session for all Bidders (successful and unsuccessful). Attendance at such debriefing session is optional.

## **26 BIDDER WARRANTIES**

- 26.1 By submitting a Bid, a Bidder warrants that:
- 26.1.1 it did not rely on any express or implied statement, warranty or representation, whether oral, written, or otherwise made by or on behalf of Umalusi, its officers, employees, or advisers other than any statement, warranty or representation expressly contained in the BID;
  - 26.1.2 it did not use the improper assistance of Umalusi 's employees or information unlawfully obtained from them in compiling its Bid;
  - 26.1.3 it is responsible for all costs and expenses related to the preparation and lodgement of its Bid, any subsequent negotiation, and any future process connected with or relating to the Bidding Process;
  - 26.1.4 it accepts and will comply with the terms set out in this BID; and
  - 26.1.5 It will provide additional information in a timely manner as requested by Umalusi to clarify any matters contained in the Bid.

**27 UMALUSI 'S RIGHTS**

- 27.1 Notwithstanding anything else in this Bid, and without limiting its rights at law or otherwise, Umalusi reserves the right, in its absolute discretion at any time, to:
  - 27.1.1 cease to proceed with, or suspend the Bidding Process prior to the execution of a formal written contract;
  - 27.1.2 alter the structure and/or the timing of this Bid or the Bidding Process;
  - 27.1.3 vary or extend any time or date specified in this Bid;
  - 27.1.4 terminate the participation of any Bidder or any other person in the Bidding Process;
  - 27.1.5 require additional information or clarification from any Bidder or any other person;
  - 27.1.6 provide additional information or clarification;
  - 27.1.7 negotiate with any one or more Bidders;
  - 27.1.8 call for a new Bid;
  - 27.1.9 Reject any Bid received after the Closing Time; or
  - 27.1.10 Reject any Bid that does not comply with the requirements of this Bid.

**28 GOVERNING LAWS**

- 28.1 This Bid and the Bidding Process are governed by the laws of the Republic of South Africa.
- 28.2 Each Bidder must comply with relevant laws in preparing and lodging its Bid and in taking part in the Bidding Process.
- 28.3 All Bids must be completed using the English language and all costing must be in South African Rand.

**29 MANDATORY QUESTIONS**

- 29.1 Bidders shall provide full and accurate answers to all (including mandatory) questions posed in this document, and, are required to explicitly state "**Comply/Accept**" or "**Do not comply/Do not accept**" (with a  $\checkmark$  or an **X**) regarding compliance with the requirements. Where necessary, the Bidders shall substantiate their response to a specific question.

**NOTE: It is mandatory for Bidders to complete or answer this part fully; If you do not accept please provide reasons.**

29.1.1

This Bid is subject to the Umalusi Standard Terms and Conditions of Procurement Contract stipulated in this BID document.	<b>Accept</b>	<b>Not accept</b>

29.1.2

	<b>Accept</b>	<b>Not accept</b>
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The laws of the Republic of South Africa govern this BID and the Bidders hereby accept that the courts of the Republic of South Africa have jurisdiction over any legal disputes.		
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29.1.3

Umalusi shall not be liable for any costs incurred by the Bidder in the preparation of response to this BID.	<b>Accept</b>	<b>Not accept</b>

29.1.4

In the case of Consortium, Joint Venture or subcontractors, Bidders are required to provide copies of signed agreements stipulating the work split and Rand value.	<b>Accept</b>	<b>Not accept</b>

29.1.5

In the case of Consortium, Joint Venture or subcontractors, all Bidders are required to provide mandatory documents; this includes a BEE certificate for the individual companies as well as a consolidated B-BBEE certificate for the Joint Venture (company).	<b>Accept</b>	<b>Not accept</b>

29.1.6

Umalusi reserves the right to cancel or reject any proposal and not to award the proposal to the lowest Bidder or award parts of the proposal to different Bidders, or not to award the proposal at all.	<b>Accept</b>	<b>Not accept</b>

29.1.7

By submitting a proposal in response to this BID, the Bidders accept the evaluation criteria as it stands.	<b>Accept</b>	<b>Not accept</b>

29.1.8

Should the parties at any time before and/or after the award of the proposal and prior to, and/or after conclusion of the contract fail to agree on any significant product price or service price adjustments, change in technical specification, change in services, etc. Umalusi	<b>Accept</b>	<b>Not accept</b>

<p>shall be entitled within 14 (fourteen) days of such failure to agree, to revoke the letter of award and cancel the proposal by giving the Bidder not less than 14 (fourteen) days written notice of such cancellation, in which event all fees on which the parties failed to agree increases or decreases shall, for the duration of such notice period, remain fixed on those fee/price applicable prior to the negotiations. Such cancellation shall mean that Umalusi reserves the right to award the same proposal to next best Bidder as it deems fit.</p>		
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29.1.9

<p>Any amendment or change of any nature made to this BID shall only be of force and effect if it is in writing, signed by Umalusi signatory and added to this BID as an addendum.</p>	<b>Accept</b>	<b>Not accept</b>

29.1.10

<p>Bidders who make use of subcontractors: The proposal shall be awarded to the Bidder as a primary contractor who shall be responsible for the management of the awarded proposal. A Bidder awarded the contract may not subcontract more than 25% of the value of contract to any enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concern, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.</p>	<b>Accept</b>	<b>Not accept</b>

29.1.11

Evaluation of Bids shall be performed by an evaluation panel established by Umalusi. Bids shall be evaluated on the basis of conformance to the required specifications as outlined in the BID. Points shall be allocated to each Bidder, on the basis that the maximum number of points that may be scored for price is 80, and the maximum number of preference points that may be claimed according to the (PPPFA) is 20.	Accept	Not accept

29.1.12

Should the Bidder change any wording or phrase in this document, the Bid shall be evaluated as though no change has been effected and the original wording or phrasing shall be used.	Accept	Not accept

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Signature(s) of Bidder or assignee(s) Date

---

Name of signing person (in block letters)

---

Capacity

---

Are you duly authorised to sign this Bid?

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**6 Name of Bidder (in block letters)**

*Domicilium citandi et executandi* in the RSA (full street address of this place)  
(in block letters)

.....

.....

Telephone number: .....

Fax number: .....

Cell phone number: .....

E-mail Address.....

## **ANNEXURE A: STATEMENT OF WORK**

### **30 INTRODUCTION**

Umalusi is a Schedule 3A Public Entity that sets and monitors standards for general and further education and training in South Africa in accordance with the National Qualifications Framework Act No 67 of 2008 and the General and Further Education and Training Quality Assurance Act No 58 of 2001. The Council is tasked with the development and management of a sub-framework of qualifications for general and further education and training and for the attendant quality assurance. More information can be obtained from [www.umalusi.org.za](http://www.umalusi.org.za)

It is a requirement that Bidders attend the compulsory briefing session.

### **31 SCOPE OF WORK**

#### **31.1 Background**

Umalusi sets and monitors standards for general and further education and training in South Africa. In accordance with the National Qualifications Framework Act No 67 of 2008 [as amended] and the General and Further Education and Training Quality Assurance Act No 58 of 2001 [as amended].

Umalusi is tasked with the development and management of a sub-framework of qualifications for general, further education and training for the attendant quality assurance. In order to meet the organisation mandate, Umalusi aims to strengthen its information technology resources by implementing sound automated processes.

Umalusi invites bidders to submit proposals for a Microsoft Dynamics Enterprise Resource Planning solution or equivalent. The proposed Microsoft Dynamics Enterprise Resource Planning solution or equivalent, shall support Umalusi business operations and phase out all legacy based Enterprise Resource Planning systems.

The current Enterprise Resource Planning systems in use within Umalusi are decentralised, legacy based and are no longer maintained. These systems present limitations that result in inaccurate reporting, lack of data integrity, duplication of work and no business continuity. These limitations negatively impact Umalusi business operations.

The proposed Enterprise Resource Planning solution shall be licensed, supported and maintained for a period of 1 (one) year. 7 months of the first year shall be reserved for the execution and implementation of the solution.

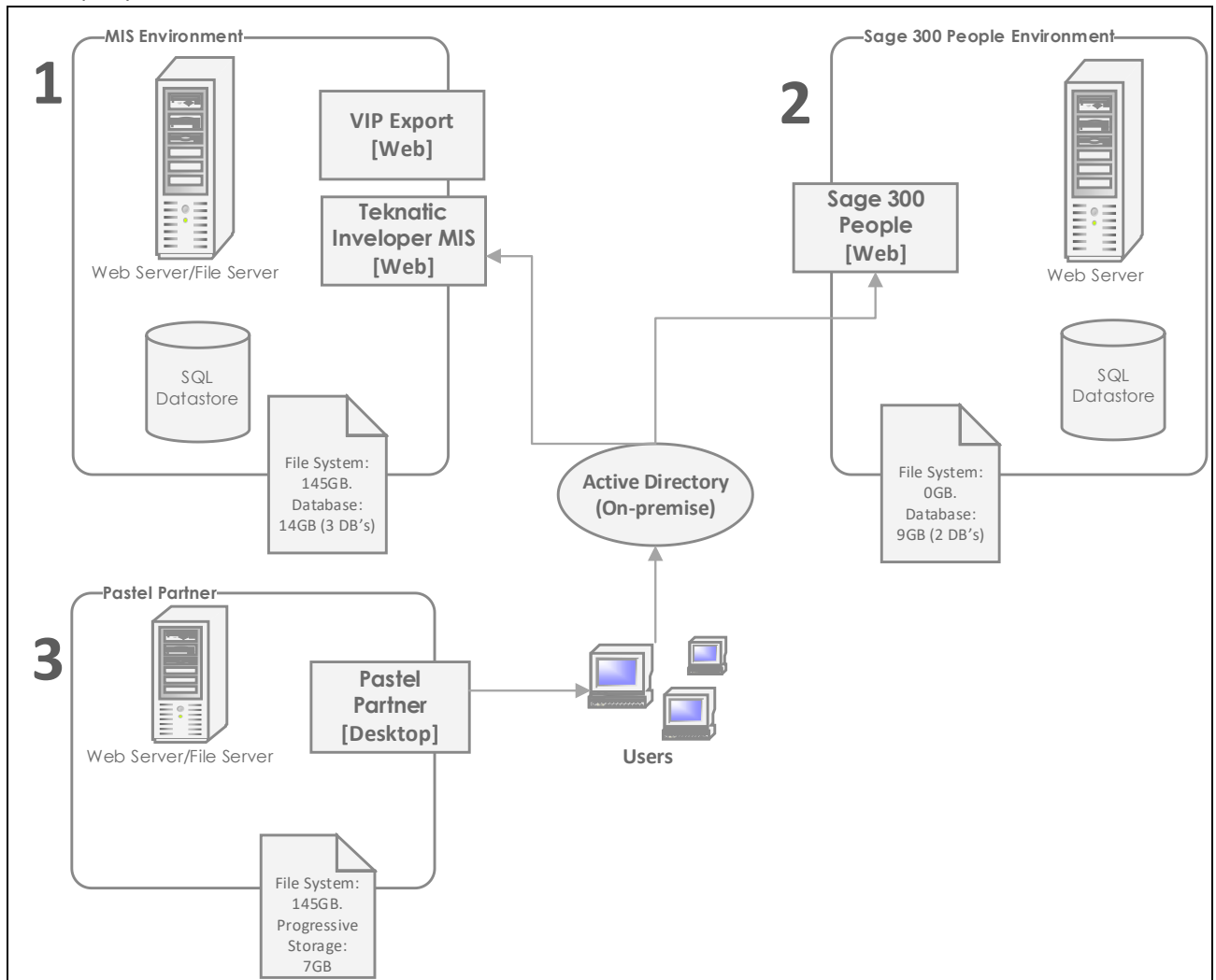


## 32 SOLUTION SPECIFICATIONS

### 32.1 Current Implemented Enterprise Resource Planning Solutions

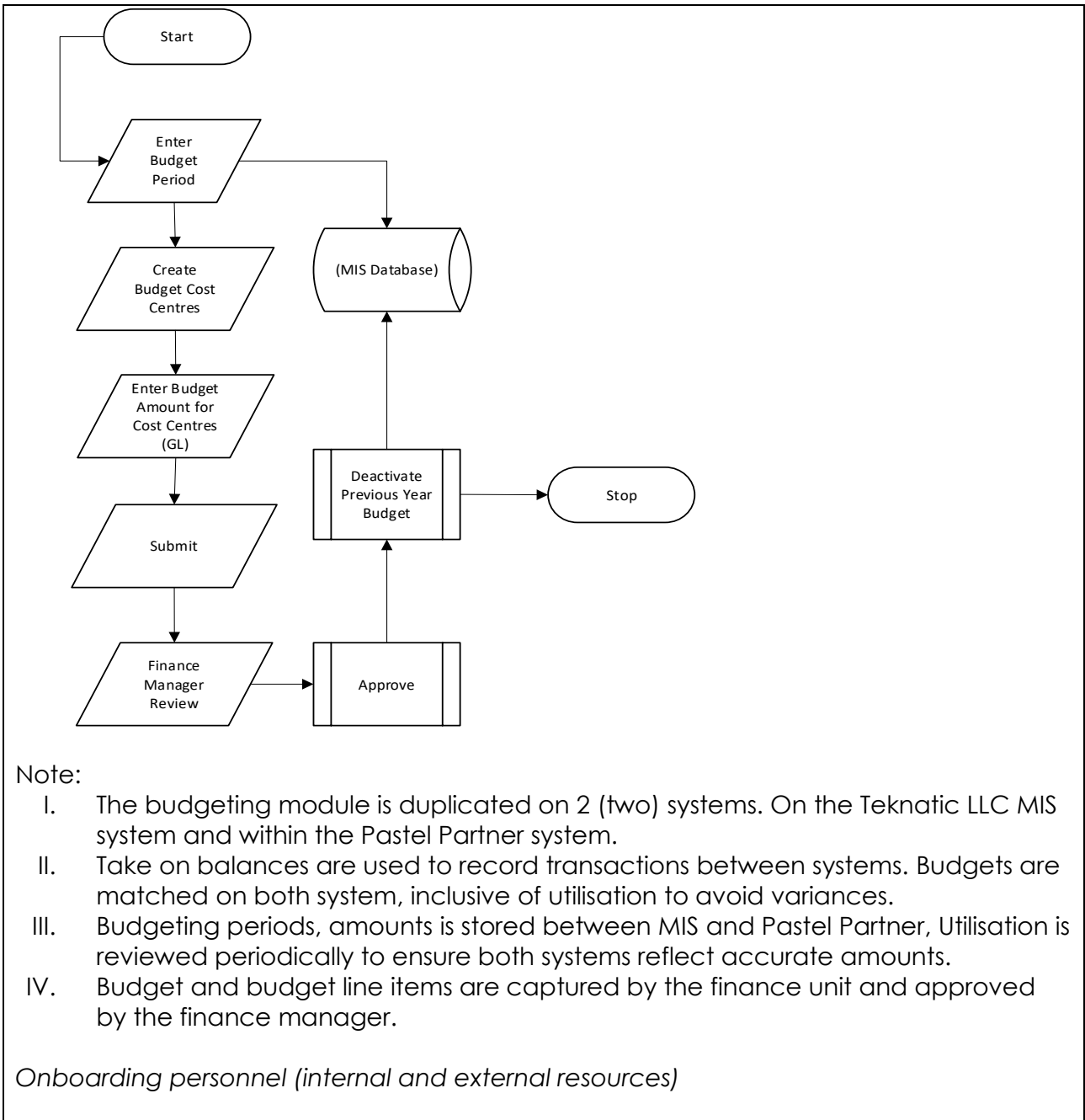
The systems listed below represent a decentralised Enterprise Resource Planning solutions in use within the Umalusi environment. Bidders are urged to review, solutions detailed in the preceding section when drafting proposals, to avoid drafting proposals that are not aligned with required scope of work. Systems deployed are represented in the below image, illustration 1.

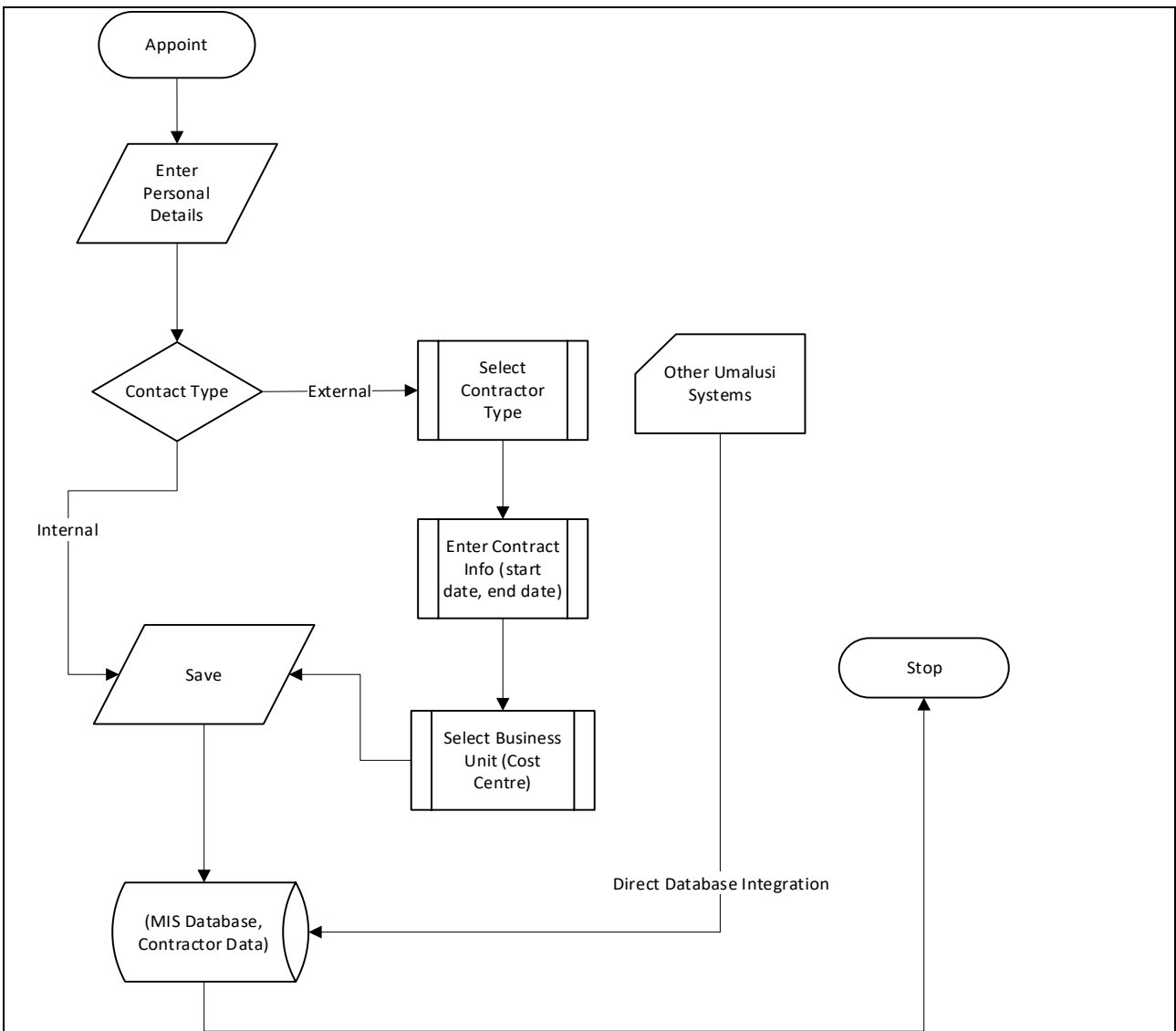
illustration 1 – Current Umalusi Decentralised Enterprise Resource Planning Systems Deployed.



Software	Manufacturer	Modules In Use
1. MIS <b>[Legacy]</b>	Teknatic LLC	<p>The deployed Teknatic MIS version is no longer maintained or supported. Web based (IIS, Microsoft Windows Server 2008 R2), Microsoft SQL Server (MSSQL, Microsoft Windows Server 2012 R2). Under the Information Technology resource catalogue, the system is classified as a legacy system. The main utilised modules and or functionalities are as follows;</p> <ol style="list-style-type: none"> <li>1. Budgeting <ol style="list-style-type: none"> <li>I. Budget cost centres</li> <li>II. Budget utilisation (claims, purchase requisitions, etc)</li> <li>III. Historic budgets (previous years)</li> </ol> </li> <li>2. General ledger/accounting modules</li> <li>3. Purchases orders/requisitions</li> <li>4. Subsistence &amp; travel claims (external contractors)</li> <li>5. Other claim types, include but not limited to; <ol style="list-style-type: none"> <li>I. Question paper claims</li> <li>II. External moderator claims</li> <li>III. Honorarium claims</li> </ol> </li> <li>6. Fee &amp; tariff management (per cost centre) <ol style="list-style-type: none"> <li>I. External S&amp;T claims</li> <li>II. Internal S&amp;T claims (phase out)</li> </ol> </li> <li>7. Workflow management <ol style="list-style-type: none"> <li>I. Manager approvers</li> <li>II. Approval routing</li> <li>III. Honorarium claims</li> </ol> </li> <li>8. Contractor management (natural) <ol style="list-style-type: none"> <li>I. Add contractors</li> <li>II. Manage existing contractors</li> <li>III. Manage/add contract information</li> </ol> </li> <li>9. Supplier management (Juristic) <ol style="list-style-type: none"> <li>I. Add supplier</li> <li>II. Manage existing supplier</li> </ol> </li> <li>10. Contract management</li> <li>11. SCM Contract Management <ol style="list-style-type: none"> <li>I. Capture Contract</li> <li>II. SCM Contract Reminders</li> <li>II. Contract/Supplier Actions</li> </ol> </li> </ol>

		<p>Additional Functionalities</p> <ol style="list-style-type: none"> <li>1. Reports per module</li> <li>2. Audit Trail</li> </ol>
VIP Import <b>[Legacy]</b>	Custom Internal	<p>Inhouse developed system, developed to, exporting transactions from MIS into other decentralised ERP systems. Exported data contains transactions that ready for Finance review and payment. Under the Information Technology resource catalogue, the system is classified as a legacy system.</p> <p>System features include;</p> <ol style="list-style-type: none"> <li>1. Generate transaction file</li> <li>2. Export file format .csv</li> <li>3. Manual import and export of data (No automated integration with other systems)</li> </ol>
<p>The following illustrations provide details on several processes housed within the Teknatic LLC MIS system, as per the above listed modules in use. These processes are included to assist suppliers to understand the scope the work. Further information on the scope is provided under <i>paragraph 32.2</i>.</p> <p>Budgeting</p>		

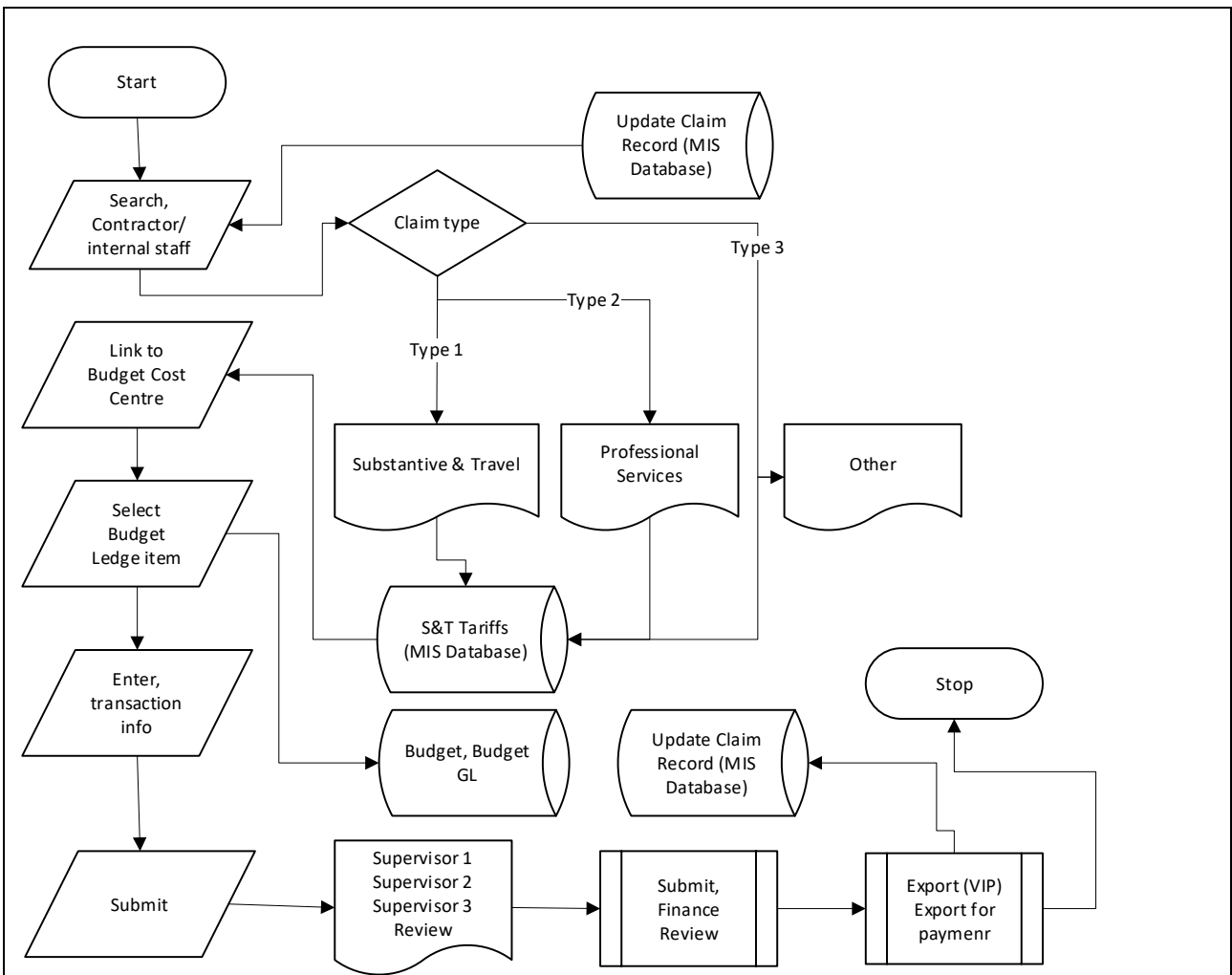




Note:

- I. Newly appointed internal officials and appointed contractors are onboarded on the Teknatic LLC MIS system.
- II. Onboarded resource information is used for generating workflows, for expenses and claims.
- III. Contractor information is shared and consumed by other Umalusi systems. Through the Teknatic LLC MIS system database. Data is used to assign tasks, and to grant access on other Umalusi systems. These systems, are core business systems that are out of scope for this procurement.
- IV. Onboarded contacts are categorised using their respective contract and contact type,
  - External: Moderators, monitors, evaluators, report writers, subject specialist, researchers etc.
  - Internal staff

*Expense items, Claims (Internal and external resources)*

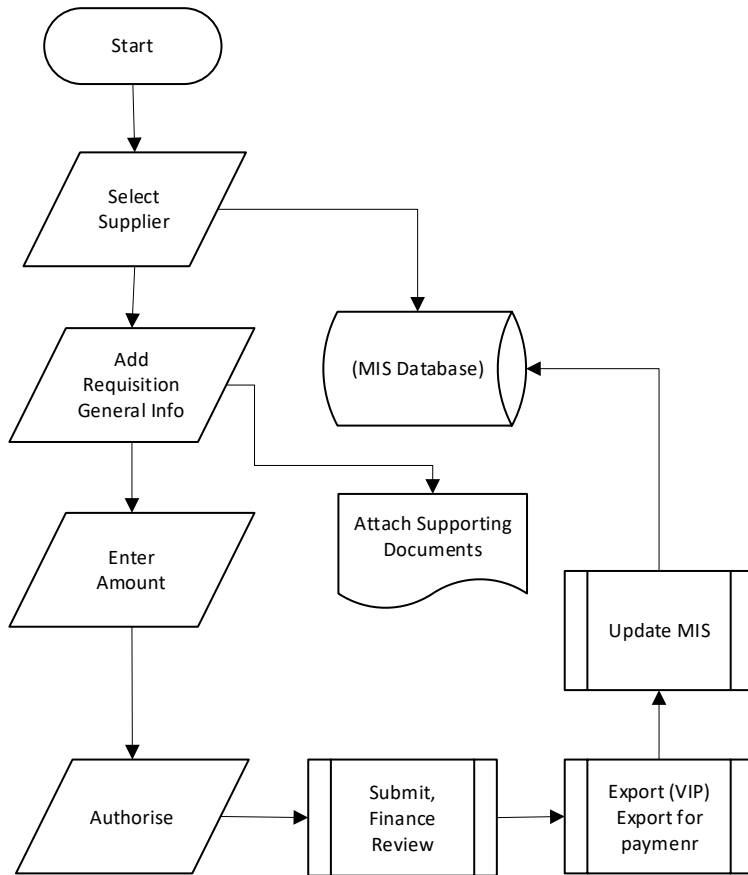


Note:

- I. All claims originate from individual cost centres, respective cost centre the task or work was performed for.
- II. Expenses, claims are generated for external and internal resources, based on the work conducted.
- III. Claims are validated against the availability of funds. Through the respective budget line item used. Each claim captured must be allocated to a budget line item with funds available.
- IV. Expenses, claims approval is based on a workflow.
- V. Workflow is linked to the unit the claim originates from, the senior officials appointed in the unit as per the Umalusi delegation of authority are deemed as approves.
- VI. Expenses, claims are marked as finalised once payment is complete. This status is effected on the Teknatic LLC MIS system. The final status reflected on the system is "EXPORTED"
- VII. Transactions approved on MIS are exported via the VIP Export system once approved.
- VIII. Export generates a text file/.xls this file is uploaded to Sage/Pastel for payment.

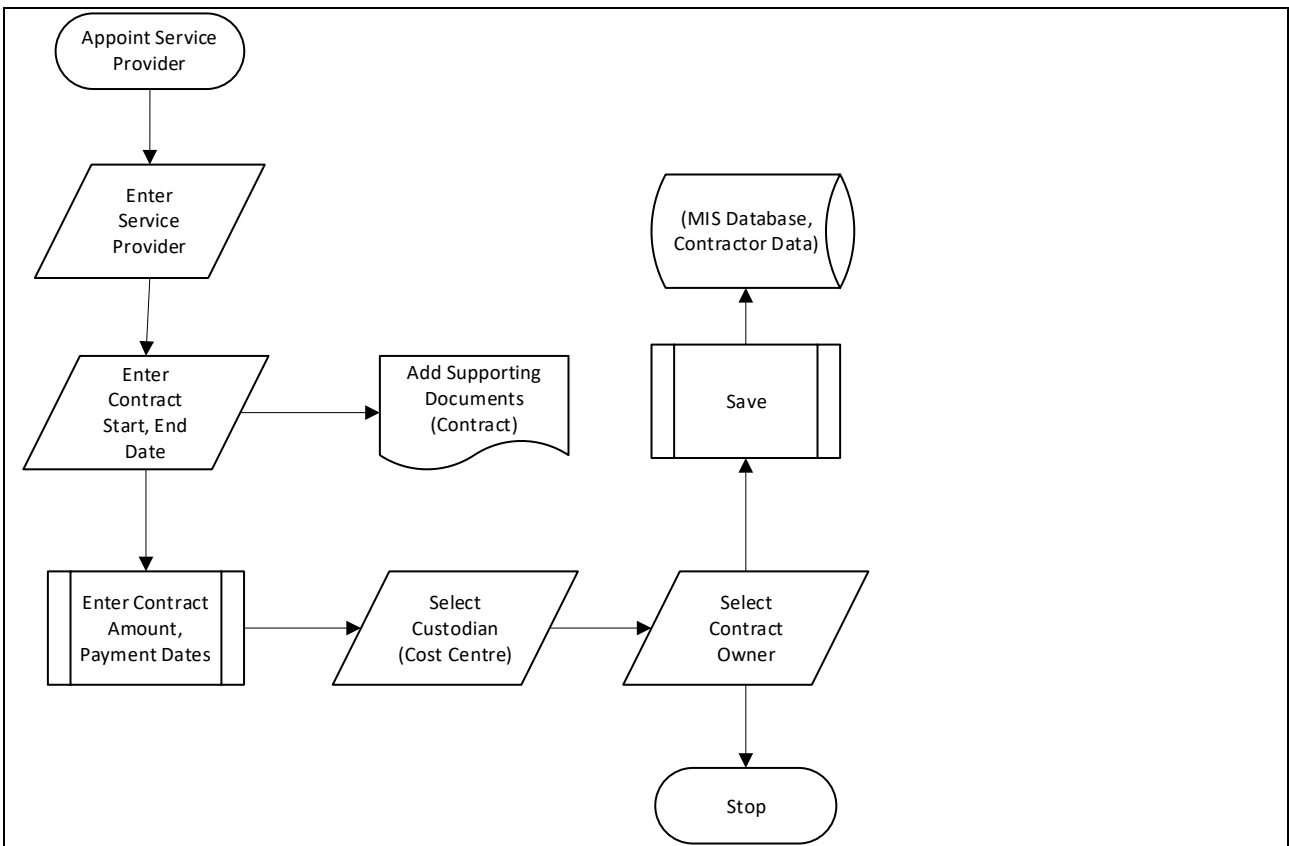
IX. Umalusi phase out the use of MIS for internal staff S&T claims. The modules is no longer is use for internal staff. The current process therefore is for Umalusi contractors.

*Purchase Requisitions, Other Supplier Expenses*



Note:

- I. Purchase requisitions are generated from the MIS system and export for payment using the VIP export system.
  - II. Purchase requisitions exported are reviewed by Finance
  - III. Supplier payments are captured by individual cost centres.
  - IV. Supplier are stored within the MIS system, once appointed.
- Basic Contract Management (Service Providers, Suppliers)



Note

- I. Basic contract management for managing payments and service providers.
- II. Functionality is utilised by the SCM unit for tracking and managing suppliers appointed.

Other Process Aspects

- III. All Teknatic LLC MIS transactions are manual exported and reconciled with the Sage 300 People, Pastel Partner before payment.
- IV. Teknatic LLC MIS does not integrate with other system. Integration is achieved through database, there no available API's or interfaces for integration.

<p>2. Sage 300 People</p>	<p>Sage South Africa Pty Ltd</p>	<p>ERP systems utilised by Umalusi staff and for processing payments for internal staff, suppliers and for contractors.</p> <ol style="list-style-type: none"> <li>1. Available functionality used by internal staff             <ol style="list-style-type: none"> <li>I. Leave Management</li> <li>II. Payslips</li> <li>III. Internal S&amp;T Claims</li> </ol> </li> <li>2. Payroll and payments</li> <li>3. Performance management</li> <li>4. Payroll</li> <li>5. HCM onboarding of staff (duplicated on MIS)</li> <li>6. Accounting modules</li> </ol>
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		The system also houses modules not configured but licensed.
3. Pastel Partner	Sage South Africa Pty Ltd	Accounting and finance software for recording, managing financial transactions for budget periods. No link to MIS, budget and general ledger accounts used are manual entered on MIS and reconciled. Under the Information Technology resource catalogue, the system is classified as a legacy system. The systems provided the following functionalities; <ul style="list-style-type: none"> <li>1. Financial Statements</li> <li>2. General Ledger</li> <li>3. Trial Balance</li> <li>4. Income Statement</li> <li>5. Bank Reconciliations</li> </ul>

**32.2 Solution Requirements**

The proposed solution shall phase out or replace the Teknatic LLC MIS, VIP export and the pastel partner system. Suppliers need to focus on modules and functionality listed under this sections. Suppliers are encouraged to review information captured under *paragraph 32.1*, to avoid over scoping the work required. The below provides detailed requirements for the proposed Microsoft Dynamics or equivalent Enterprise Resource Planning solution;

This procurement aims to replace and or phase out systems classified as legacy, in order to establish a base solution for an Enterprise Resource Planning solution. Other system not classified as legacy are included in order for suppliers to be aware of the integration layer that must be established to function with the ERP solution to be established.

1. The project focuses primarily on replacing and or phasing out systems classified as legacy. Suppliers therefore must structure their respective bids according to the systems listed below;

Teknatic LLC MIS System (Legacy)
VIP Export System (Legacy)

2. Integration shall be catered for according to the below requirements;

<p>Direct integration with existing systems for processing payments. Integration with the Sage 300 People solution is required, integration shall phase out the manual export of processed transactions into Sage 300 People.</p> <p>Integration shall offer verification of transactions and approval before payment on Sage 300 People.</p>
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Solution shall offer an integration point for sourcing data between systems, such as supplier and contractor information.
---

3. The following systems are not part of this scope and are listed in order to demonstrate

Sage 300 People	Integration required
Pastel Partner	Integration required
Note: This system shall be phased out in the next phase of the project. Supplier therefore are required to integration with the Sage 300 People system.	

4. The full installation, maintenance and support of an enterprise resource planning system for Umalusi.
5. Installation, configuration, development and deployment of the below Enterprise Resource Planning modules, to overhaul systems classified as legacy system as per *paragraph 32.1*. Bidders shall design their respective proposal based on the following modules;

No.	Module/Functionality
1	Budgeting and planning
2	Finance and accounting management I. Purchase orders/requisitions II. Expense and claims III. Full accounting and finance functionality General ledger ( <i>pastel partner phasing out</i> )
4	Audit trail and reports configured per module
5	Human capital management I. Onboarding supplier, internal staff II. Human resource management
6	Supply chain management
7	Supplier and contractor management
8	Supply chain management, expenditure management, Contract management and accounts payable
Modules listed above are documented using general terms.	

6. Modules listed above do not take into consideration underlying internal systems artefacts that may not be known to Umalusi. As such, the bidder is expected to take those, if applicable, into consideration in their proposal when responding to the bid. Umalusi requests Bidders to propose a solution based on a Microsoft Dynamics or equivalent Enterprise Resource Planning solution. Based on these sub requirements;
- I. The solution allows Umalusi to complete its processes, replaces and enhances business processes, with minimal interruption to business operations;

- II. Migration of existing data, take on balances and the required journal entries to allow Umalusi to continue operations.
  - III. The solution shall include features for managing control data, namely
    - Managing approval workflows
    - Managing workflows
    - Managing basic control data, costs centres, transactions,
  - IV. Pre-built OEM features to administer the solution must be configured according to Umalusi processes.
  - V. The proposed solution is based on existing modules, suggested module improvements are in line with existing modules, unless improvements are required for integration or for introducing efficiency;
  - VI. Solution, is cloud ready and or offer seamless Microsoft Azure integration.
  - VII. Improvements on sharing of data between the proposed solution and other Umalusi systems;
  - VIII. Sound audit trail and access control;
  - IX. Reports as per modules, installed, configured, and implemented;
  - X. Integration layer is not complex, is improved from the existing process for sharing data for;
    - Supplier information and contracts;
    - Contractor information and contracts;
    - Searching and filtering supplier and contractors.
7. The configuration, setup up of accounting modules utilises Umalusi adopted standards and practices for financial management and accounting.
- I. Generally Recognized Accounting Practice;
  - II. Other applicable financial accounting and taxation practices for the sector;
8. The proposed solution is installed, configured, developed, deployed for the following Umalusi business units and or cost centres.

Governance and Office of the CEO
Finance and Supply Chain Management
Information and Communication Technology
Facilities
Evaluation and Accreditation
Quality Assurance of Assessments, Post Schools
Quality Assurance of Assessments, Schools
Qualifications, Curriculum and Certification Unit
Statistical information and Research

9. Accounting take on balances, and journals to the new system's/software's is part of the configuration.
10. The proposed solution is licensed, according to Umalusi Human Capital Management statistics, as per the below information;

Top Management	4
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Senior Management	10
Middle Management	24
Junior Management	56
Semi-Skilled	39
Unskilled	4
Temps	3
Sub Total	140

11. A provision for system administrative training (non ICT) is required.
12. Training for internal staff to administer the system. utilising, the train the trainer method to reduce overall training costs. Training the trainer needs for the following Umalusi business champions.

Position	Trainer	Number
Senior Manager: Finance		1
Senior Manager: HCM		1
Senior Manager: ICT		1
Manager: Finance		1
Manager: ICT	X	1
Manager: HCM		1
Assistant Manager: E&A	X	1
Assistant Manager: QCC	X	1
Assistant Manager: QAA S	X	1
Assistant Manager: QAA PS	X	1
Assistant Manager: SIR	X	1
Assistant Manager: SCM	X	1
Assistant Manager: ICT	X	1
Assistant Manager: PR&Comms	X	1
Senior Manager: Finance	X	1
Administrative Assistant: All	X	5
		20

13. Training of administrator/(s), to administer access and security controls.

Senior Manager: Finance	1
Manager: ICT	1
Manager: Finance	1
	3

14. The migration of data into the new solution is required.
15. Take on balances for accounting transactions are permitted.
16. Legacy systems, therefore shall be kept running for a specified time until historic data is no longer required by Umalusi end users
17. Over and above providing training, the supplier is required to provision documentation, such as
- I. User guides and manuals;
  - II. system Administrative guides and manuals;
18. Solution is branded in line with the Umalusi corporates signage.

19. Branding manual and documentation shall be provided after the tender is awarded.

### 32.3 Execution Conditions

1. Execution, delivery of the ERP solution is in line with applicable public sector legislations and internal Umalusi standards.
  - I. Umalusi Change Management Policy
  - II. Umalusi Software Development Policy and Procedures
  - III. Umalusi Incident Management Policy
  - IV. Umalusi Security Policy
  - V. Umalusi Service Charter
  - VI. Minimum Information Security Standards (MISS)
  - VII. The State Information Technology Agency (SITA) Act, as amended.
  - VIII. Electronic Communication Transaction Act.
  - IX. Protection of Personal Information Act (POPI), 2013
  - X. The Protection of Information 84 Act of 1982
  - XI. The Promotion of Access to Information Act
  - XII. The National Archives Act 43 of 1996
  - XIII. Information Security Policy: Securing Information in the Digital Age
  - XIV. Minimum Interoperability Standards (MIOS)
2. Project execution conditions shall comply with;
  - I. Change management;
  - II. Project management, inclusive of milestone signoff
3. Adopted methodologies must align with Umalusi standards.
4. Project milestones are initiated from the date a supplier is awarded the bid;
5. The proposed project is therefore executed, and handed over based on the below timelines;

<b>Milestones</b>	<b>Completion</b>
Project kick-off, project plan and solution milestones	1 (one) month
Execution, testing	3 (two) months
Implementation	1 (one) month
Documentation and training	1 (one) month
Post implementation review	1 (one) month

### 32.4 System Maintenance

The appointed service provide will be responsible for the following maintenance and support work;

1. Correcting; faults, logged defects, categories and follow release management for deployments.
2. The Enterprise Resource Planning solution provides continuous system improvements.

3. Continuous adapt programs so that different hardware, software, system features, and telecommunications facilities can be used.
4. Provision technical and non-technical experienced resources for support.
5. The successful bidder will be expected to provide post-implementation consulting services in support of the modules that would be implemented, when required. The bidder must provide indicative rates for each of the resources that they may use for each module.
6. Maintain an SLA with Umalusi, with the availability of technical support 7 days a week, during working hours.

### **33. COST SCHEDULE REQUIREMENTS**

The following Application Software Licensing costs must be supplied and all cost must be fixed costs:

1. Software licensing costs
2. Configuration, development and implementation costs.
3. Maintenance and support costs
4. Training

**34. SUPPLIER PERFORMANCE REPORTING:** Monthly SLA performance reports must be submitted to Umalusi.

### **35. CERTIFICATION, EXPERTISE AND QUALIFICATION:**

- 35.1 The Supplier represents that,
- 35.2 It has the necessary expertise, skill, qualifications and ability to undertake the work required in terms of the Statement of Work or Service Definition and;
- 35.3 It is committed to provide the Products or Services; and
- 35.4 Perform all obligations detailed herein without any interruption to the Customer.
- 35.5 The Supplier must perform the Services in the most cost-effective manner consistent with the level of quality and performance as defined in Statement of Work or Service Definition.

### **36. LOGISTICAL CONDITIONS**

- 36.1 Tools of Trade: The Supplier must use its own tools of trade.
- 36.2 On-site and Remote Support: The Supplier must be able to render on-site and remote support.
- 36.3 Support and Help Desk: The Supplier must have a help desk.

### **37. SKILLS TRANSFER AND TRAINING**

37.1 The supplier must provide training on the proposed solution to staff to enable Umalusi to operate and support the product or solution after implementation. Training must be provided based on the information detailed under *paragraph 32.2*.

37.2 In the event of system enhancements, training must be provided.

38.3 The nature of the training must be hands-on, with possibility certification required.

### BID PRICING SCHEDULE

**Note:**

Bidder must complete the pricing as per table below (or as per the attached spreadsheet if applicable).

- a) Line Prices are all VAT EXCLUSIVE, and TOTAL PRICE is VAT INCLUSIVE
- b) The bid price must be fixed for the total contract period. No price variation due to exchange rate fluctuation will be allowed.

### PRODUCT OR SERVICE PRICING

No	Product/Service description	Quantity	Price Year 1 (VAT excl.)	N/A	N/A	N/A	N/A
1.	ERP solution licensing	140 end users					
2.	ERP solution configuration, Implementation	Once off, per solution specification <i>paragraph 32.2</i>					
3.	ERP solution customisation and branding	Once off					
4.	ERP system training	As per, 11 (eleven) Umalusi champions					

		(train the trainer) 3 (three) System administrators							
5.	ERP solution maintenance	Per OEM maintenance schedule							
	ERP solution support	Per support requests							
6.	ERP Solution data migration	Per modules migrated							
7.	<b>SUBTOTAL (VAT Excl.)</b>		R	R					
8.	<b>VAT (15%)</b>		R	R					
9.	<b>SUBTOTAL (VAT Incl.)</b>		R	R					
10.	<b>BID TOTAL (VAT Incl.)</b>		R	R					
11.	<b>GRAND TOTAL (VAT Incl.)</b>								



**ANNEXURE B – SBD1**

**PART B  
INVITATION TO BID**

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

BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
-------------	--	---------------	--	---------------	--

DESCRIPTION

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

<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>	<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>
---	--

CONTACT PERSON		CONTACT PERSON	
----------------	--	----------------	--

TELEPHONE NUMBER		TELEPHONE NUMBER	
------------------	--	------------------	--

FACSIMILE NUMBER		FACSIMILE NUMBER	
------------------	--	------------------	--

E-MAIL ADDRESS		E-MAIL ADDRESS	
----------------	--	----------------	--

E-MAIL ADDRESS		E-MAIL ADDRESS	
----------------	--	----------------	--

**SUPPLIER INFORMATION**

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

TELEPHONE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

CELLPHONE NUMBER

FACSIMILE NUMBER

FACSIMILE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

VAT REGISTRATION NUMBER

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> 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]**

<b>2</b> ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	<b>3</b> ARE YOU A FOREIGN BASED SUPPLIER FOR <b>THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
--	--	--	--

**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**

<p><b>1. BID SUBMISSION:</b></p> <p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b></p> <p>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.</p> <p>1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b></p>
<p><b>2. TAX COMPLIANCE REQUIREMENTS</b></p> <p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p> <p>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."</p>

**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: .....

**ANNEXURE C: SBD 3.1 – Pricing Schedule – Firm Prices (Purchases)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of bidder.....	Bid number:
Closing Time	Closing date:

OFFER TO BE VALID FOR **180** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
-	Required by:		.....
-	At:		..... .....
-	Brand and model		.....
-	Country of origin		.....
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not compliant to specification(s), indicate deviation(s).....		
-	Period required for delivery		..... *Delivery: Firm/not firm
-	Delivery basis		.....

**Note:** All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

## **ANNEXURE D: SBD 2 – Tax Clearance Certificate Requirements**

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.**

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
6. Applications for the Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website [www.sars.gov.za](http://www.sars.gov.za).

**Note: Valid Original Tax Clearance Certificate is mandatory**

**ANNEXURE E :SBD4 – Declaration of Interest**

**BIDDER’S DISCLOSURE**

**1. PURPOSE OF THE FORM**

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

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

**2. Bidder’s declaration**

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

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

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of State institution</b>

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

---

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

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

---

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

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder



## **ANNEXURE F: SBD 6.1 – Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017**

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

---

### **1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 million (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 million (all applicable taxes included).
- 1.2 The value of this bid is estimated not to exceed R50 million (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:
- |  | <b>POINTS</b> |
|--|---------------|
| <b>PRICE</b>   | <b>80</b>     |
| <b>B-BBEE STATUS LEVEL OF CONTRIBUTION</b>               | <b>20</b>     |
| <b>Total points for Price and B-BBEE must not exceed</b> | <b>100</b>    |
- 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 service provider 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 defined 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:

**80/20** or **90/10**

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

Where

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

P<sub>t</sub> = Comparative price of bid under consideration

P<sub>min</sub> = 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:

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

5.2 A bidder who qualifies as an 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 as well as the consolidated B-BBEE certificate for the trust, consortium or joint venture (should the entity wish to claim preference points)
- 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>
Cooperative owned by black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are military veterans	<input type="checkbox"/>	<input type="checkbox"/>
<b>OR</b>		
Any EME	<input type="checkbox"/>	<input type="checkbox"/>
Any QSE	<input type="checkbox"/>	<input type="checkbox"/>

**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. transportation, 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-BBE 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 service provider 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 BIDDERS(S)
DATE: .....
ADDRESS: .....
.....



## ANNEXURE G – General Conditions of Contract

**THE GENERAL CONDITIONS OF THE CONTRACT WILL FORM PART OF ALL BID DOCUMENTS AND MAY NOT BE AMENDED**

### **THE NATIONAL TREASURY Republic of South Africa**



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 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 ancillaries 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 Bid Bulletin. The Government Bid Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the

performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

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

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

## **6. Patent rights**

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

## **7. Performance security**

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

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

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

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

(b) a cashier's or certified cheque

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

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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 Bid 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 wilful 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.

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| <b>29. Governing language</b>                                | 29.1 | The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.  |
| <b>30. Applicable law</b>                                    | 30.1 | The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.   |
| <b>31. Notices</b>   | 31.1 | Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice. |
|  | 31.2 | The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.  |
| <b>32. Taxes and duties</b>                                  | 32.1 | A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.  |
|  | 32.2 | A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.   |
|  | 32.3 | No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.                                       |
| <b>33. National Industrial Participation (NIP) Programme</b> | 33.1 | The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.   |
| <b>34. Prohibition of Restrictive practices</b>              | 34.1 | In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an   |

association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## **ANNEXURE H – Company profile of the bidder**

This document(s) is to be prepared and submitted by the bidders as **Annexure J** to their Bid.