

CHECKLIST OF DOCUMENTS TO BE SUBMITTED -NCPT/01/2021			
CHECKLIST FOR BIDDERS		TICK	
		Yes	No
<b>COMPLIANCE WITH MANDATORY REQUIREMENTS</b>			
<b>All forms completed, duly signed</b>			
SBD 1: Invitation to Bid and Total Bid Price			
SBD 4: Declaration of interest			
SBD 6.1: Preference Points Claim form			
SBD 7.2 : Contract Form			
SBD 8: Declaration of bidders past SCM practices			
SBD 9: Certificate of independent bid determination			
Original certified BBBEE certificate issued by SANA's approved institutions or original sworn affidavit ( Joint BBBEE certificate for joint-venture agreements)			
Detailed Pricing Schedule ( Annexure A)			
Certified Copy of Registration with IIA			
Joint venture or partnership agreement ( SBD forms to be completed for both companies)			
Compliance with sub-contracting principles: (Proof of agreement and SBD forms to be submitted for both bidders )			
<b>FUNCTIONALITY CRITERIA REQUIREMENTS</b>			
Minimum of two or more written trade references			
<b>No of Bid Documents Copies Attached</b>			

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE: NORTHERN CAPE PROVINCIAL TREASURY</b>					
BID NUMBER:	NCPT/01/2021	CLOSING DATE:	18 June 2021	CLOSING TIME:	11:00
DESCRIPTION	REQUEST FOR PROPOSAL FOR THE APPOINTMENT OF INTERNAL AUDIT SERVICE PROVIDERS TO SERVICE THE NORTHERN CAPE LISTED PUBLIC ENTITIES FOR THE PERIOD OF 3 YEARS				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					

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

Cnr. Knight And Stead Street

The Entrance Of The MetLife Towers On Ground Floor (Post Office Building),

KIMBERLEY, 8300

### SUPPLIER INFORMATION

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX)		TCS PIN: <input type="checkbox"/> Yes <input type="checkbox"/> No	OR CSD No: B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?			
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
		<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)
		<input type="checkbox"/>	A REGISTERED AUDITOR
		NAME:	

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT/ PUBLIC ENTITY	Northern Cape Provincial Treasury	CONTACT PERSON	Mr J. Van Tonder
CONTACT PERSON	Ms J. Boane	TELEPHONE NUMBER	082 719 1666
TELEPHONE NUMBER	053 830 8203	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	Jvantonder@ncpg.gov.za
E-MAIL ADDRESS	JBoane@ncpg.gov.za		

## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: ( BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. 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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

### 2. TAX COMPLIANCE REQUIREMENTS

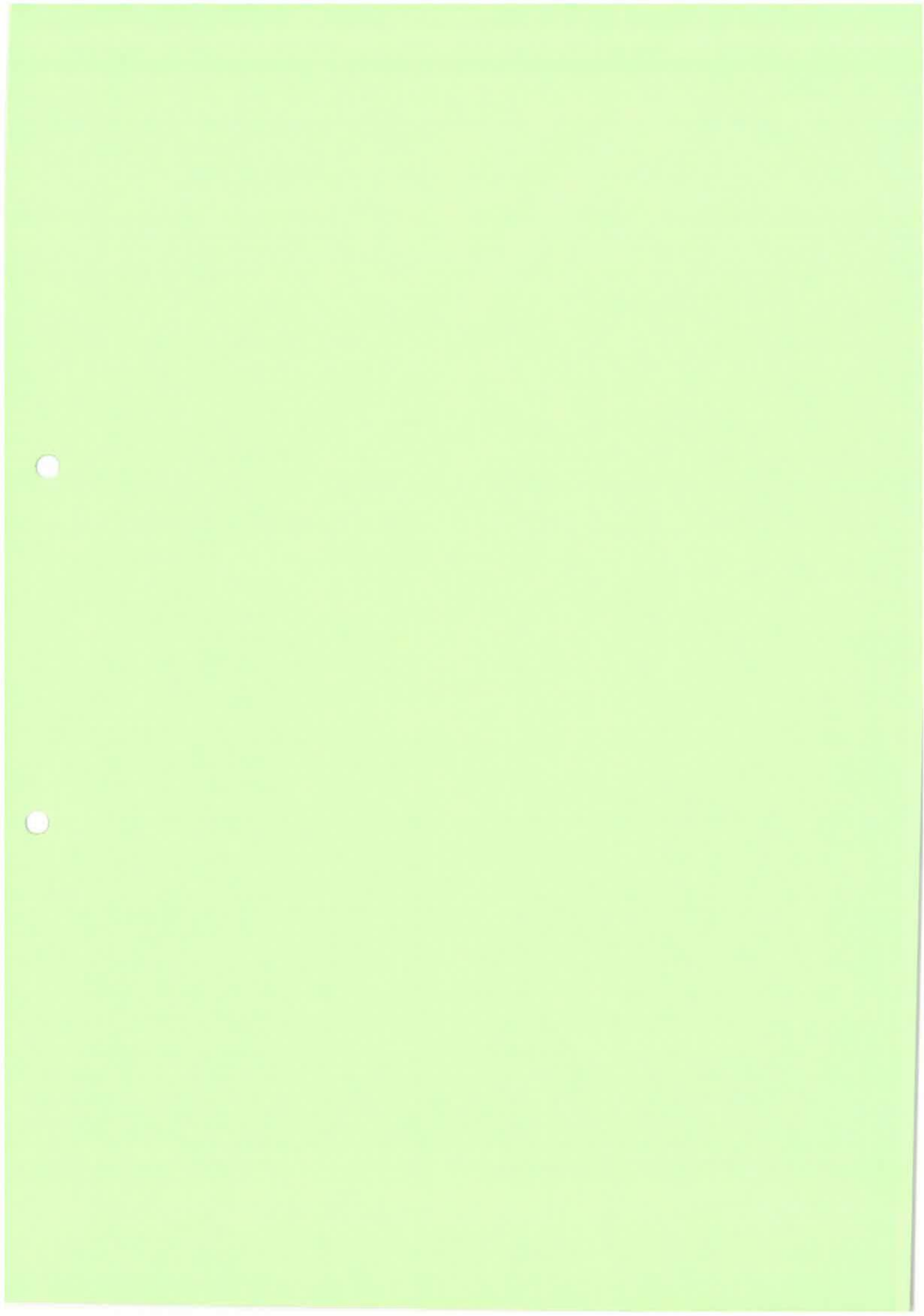
- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY 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).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- |  |  |
|--|--|
| 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?                       | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?      | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?           | <input type="checkbox"/> YES <input type="checkbox"/> NO |

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.



# **IMPORTANT NOTICE**

## **NOTE 2**



## **PLEASE NOTE THE FOLLOWING:** **WITH REFERENCE TO THE ATTACHED** **NCP 4:**

1. Should You Be Involved In A Joint Venture,  
**Both Parties Must Fully Declare Interest** And  
Complete NCP 4.
2. Please Ensure That You Are Aware Of All  
Interested Persons Who Should Declare Interest.
3. This Request Is Made For The Sake Of  
Transparency And The Timeous Conclusion Of  
Bids

\*\*\*\*\*  
\*\*\*\*\*

## DECLARATION OF INTEREST

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

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

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

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

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

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

<sup>1</sup>"State" means –

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

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

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

Any other particulars:  
.....  
.....  
.....

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

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

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

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

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

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

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

2.9.1 If so, furnish particulars.  
.....  
.....

.....

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

2.10.1 If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

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

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

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Persal Number

### 4 DECLARATION



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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

May 2011



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

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

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

1.2

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	POINTS
<b>PRICE</b>	
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</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 proof of B-BBEE Status level of contributor 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) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"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 the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

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

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

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

Where

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

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (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	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

## 5. BID DECLARATION

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

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

## 7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(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 last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 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 contributor indicated in paragraphs 1.4 and 6.1 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 paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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 .....





## CONTRACT FORM - RENDERING OF SERVICES

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

### PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution) Northern Cape Provincial Treasury in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number : NCPT/01/2021 at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

#### WITNESSES

1 .....

2 .....

DATE: .....

**CONTRACT FORM - RENDERING OF SERVICES****PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE: .....



## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**SBD 8**

### CERTIFICATION

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

Js365bW



**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder



6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</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.

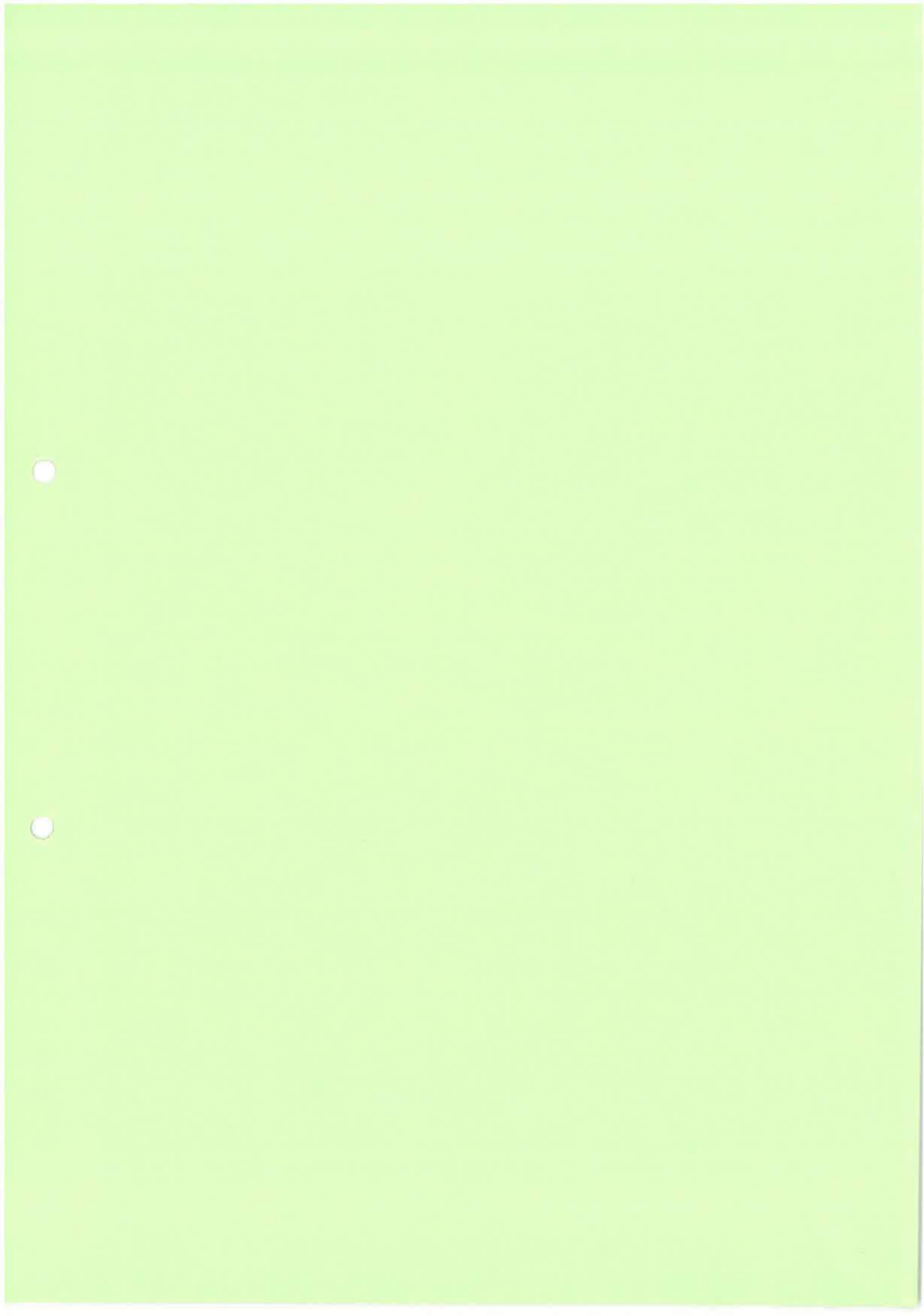
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms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

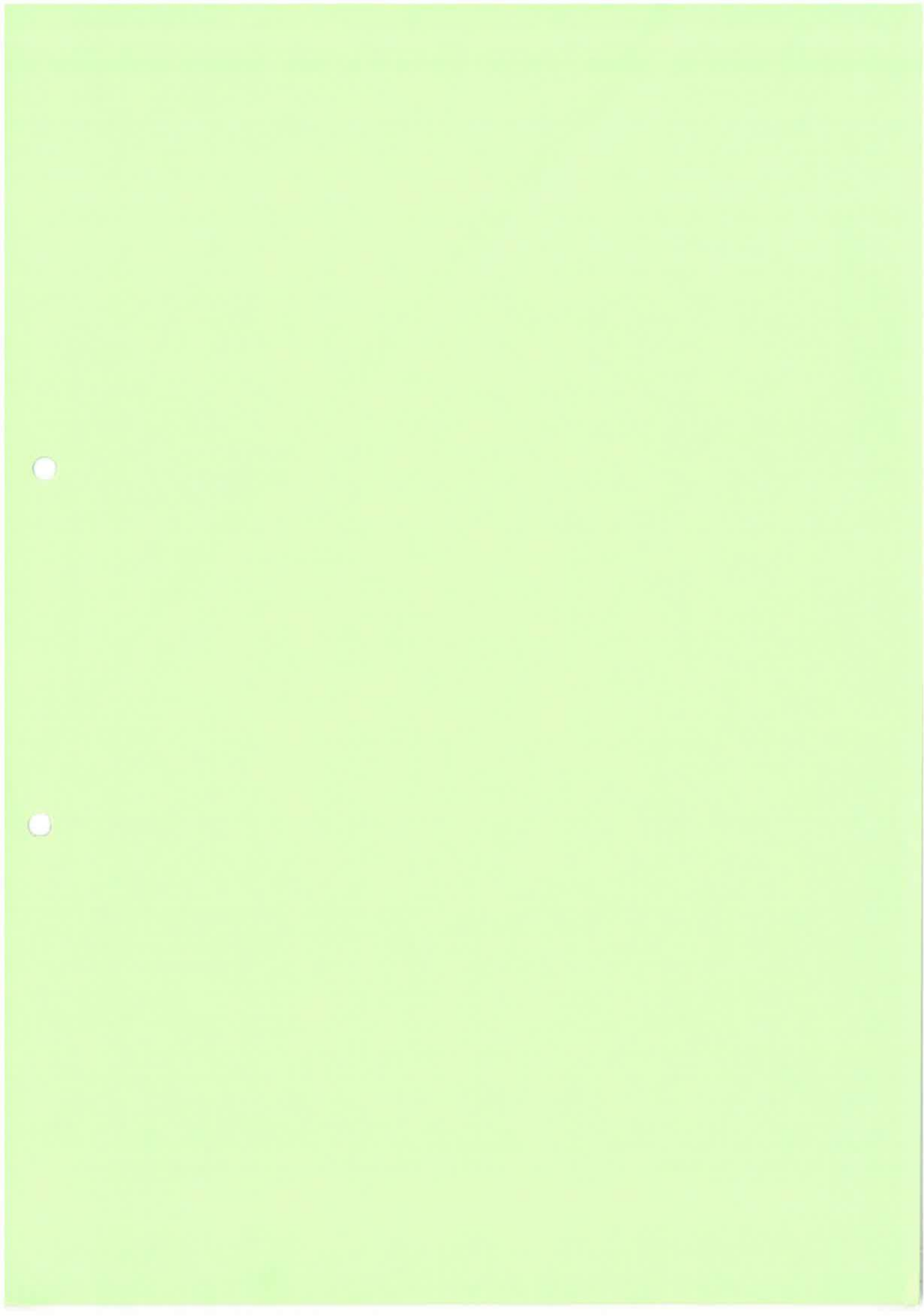
.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

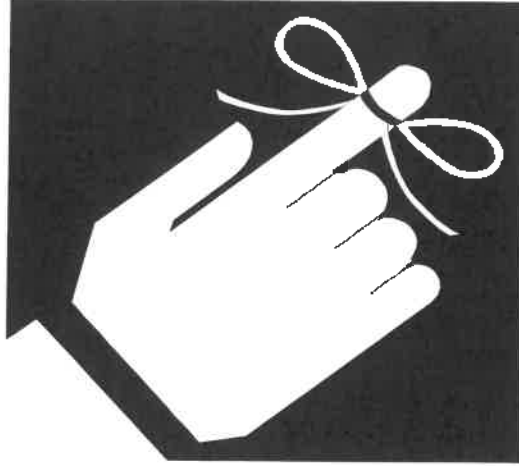




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## **IMPORTANT NOTICE**

### **NOTE 3**



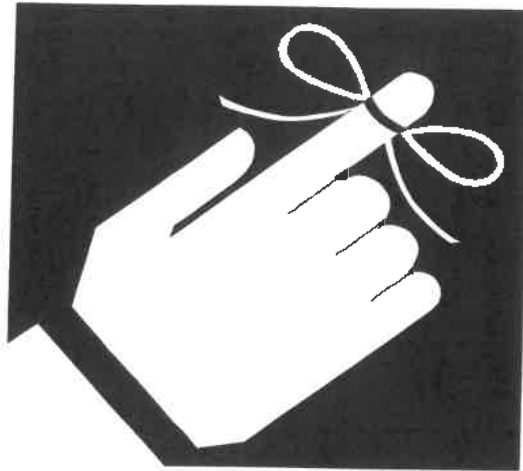
### **A COMPULSORY INFORMATION SESSION WILL BE HELD AS FOLLOWS:**

VENUE: SESSION	VIRTUAL COMPULSORY BRIEFING
DATE:	WEDNESDAY, 8 JUNE 2021
TIME:	10H00
CONTACT PERSON/S:	Ms. J Boane
PHONE NO:	053-830 8203

\*\*\*\*\*

# **IMPORTANT NOTICE**

## **NOTE 1**



**PLEASE NOTE THAT THIS BID CLOSING ON  
THE 18 JUNE 2021 @ 11:00**

**AT**

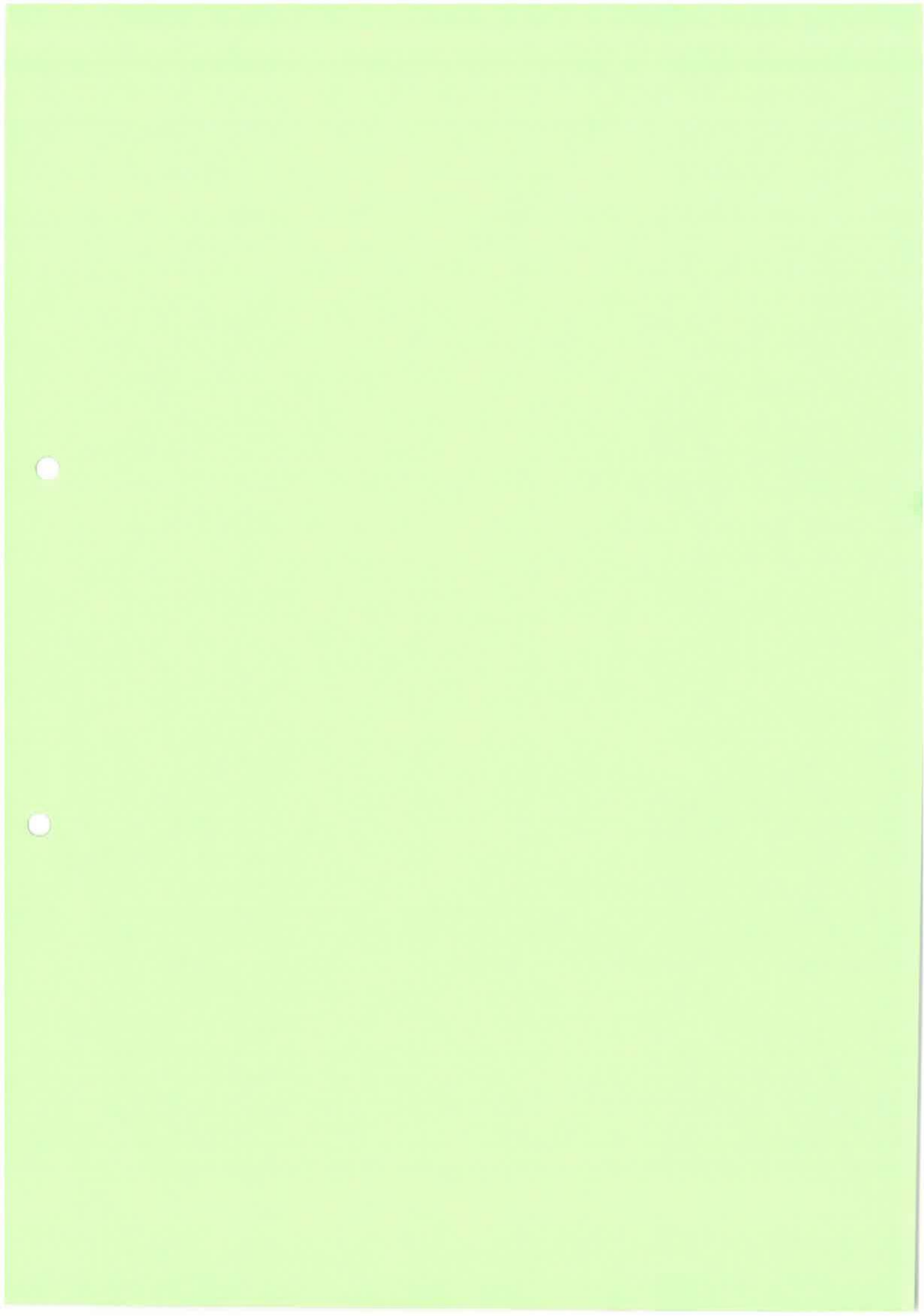
**THE OFFICE OF PROVINCIAL SUPPLY  
CHAIN MANAGEMENT, CORNER KNIGHT  
AND STEAD STREET, POST OFFICE  
BUILDING.**

**(METLIFE TOWERS, KIMBERLEY)**

**TAKE NOTE - BIDDERS WHO WISH TO  
MAKE USE OF SPEED SERVICES MUST  
MARK DELIVERY "TO COUNTER" AND NOT  
"TO PRIVATE BAG/BOX" ON THE STICKER.  
BIDDERS MUST ALSO CONTACT THE  
OFFICE, STATING THEIR TRACKING  
NUMBER OF THE BID DOCUMENT.**

**(See cover page for street address)**

**BID DOCUMENTS DEPOSITED ANYWHERE  
ELSE WILL BE REGARDED AND TREATED AS  
LATE BID**



**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**



**Northern Cape Provincial Government**  
PROVINCIAL TREASURY

**NCPT**

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**Request for Proposals for the Appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

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**NCPT/01/2021**

**Closing date and time:**

**18 June 2021 at 11:00**

**Bid Validity Period: 90 days**

**TENDER BOX ADDRESS:**

Northern Cape Provincial Treasury  
Cnr of Knight and Stead Street  
Metlife Towers (Post Office building)  
8th Floor, Room 805  
KIMBERLEY, 8300



Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

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**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

## **1. INTRODUCTION**

The Northern Cape Provincial Treasury (NCPT) was established in terms of section 17(1) of the Public Finance Management Act (No. 1 of 1999). The NCPT seeks to appoint a competent service provider to: provide internal audit services for 6 public entities in the province for a period of 3 years ending in 2025.

The NCPT will determine which service provider ("bidder"), if any, are appointed in response to this request for submission of proposals and reserves the right not to appoint the highest scoring bidder based on sound justification in line with the Preferential Procurement Policy Regulation (2017).

Rendering of internal audit services is compulsory in terms of the Public Finance Management Act, section 38(1)(a) and section 51(1)(a). The provincial shared Internal Audit (IA) unit is responsible for delivering services to the 11 provincial departments as well as the 6 listed public entities. The IA unit's organogram accommodates for the provision of service to the 11 departments, but not the entities. Consequently, a service provider has been contracted in the past to perform internal audit functions at the entities.

## **2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)**

Northern Cape Provincial Treasury requires the service providers to provide internal audit services to 6 public entities in the province for a period of 3 years ending in 2025.

NCPT reserves the right to accept part or the whole proposal as presented by prospective bidders.

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

This RFP has been prepared in accordance with Public Finance Management Act, 1999 (Act, No.1 of 1999) and its Regulations, and all relevant procurement legislation. If there is contradiction with these legislation, the ACT will prevail.

### **3.1. Tax Legislation**

3.1.1 Bidder(s) must be tax compliant at the time of awarding the bid. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

3.1.2 The Tax Compliance status requirements are also applicable to foreign bidder(s) /individuals who wish to submit bids.

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

- 3.1.3 It is a requirement that bidder(s) be granted a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 3.1.4 Bidder(s) are required to be registered on the Central Supplier Database and the NCPT shall verify the bidder's tax compliance status through the Central Supplier Database.
- 3.1.5 Where consortia /joint ventures /sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

**3.2. Procurement Legislation**

NCPT has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act (No. 1 of 1999), the Preferential Procurement Policy Framework Act (PPPFA) (No.5 of 2000) and the Broad-Based Black Economic Empowerment Act (BBBEE) (No. 53 of 2003).

**3.3. Technical Legislation and/or Standards**

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

**4. BRIEFING SESSION**

**A COMPULSORY virtual briefing session will be conducted on 8 June 2021 at 10H00 in the form of a Microsoft Teams meeting.**

**All prospective bidders must register for the briefing session from 24 May to 3 June 2021 by sending an email to [jboane@ncpg.gov.za](mailto:jboane@ncpg.gov.za). Registering for the briefing session is COMPULSORY as it gives prospective bidders access to the COMPULSORY briefing session. Failure to timeously register will result in the prospective bidders being denied access to the compulsory virtual briefing session, which will lead to DISQUALIFICATION from continuing in the bidding process. The electronic invitation (meeting link) to the COMPULSORY virtual briefing session will be sent out on 7 June 2021. No communication will be entered into with a bidder who did not attend compulsory virtual briefing session.**

**The tender documents may be obtained from the security officers at the main entrance of Metlife Towers building (Kimberley) (Post office building) or downloaded from [www.ncpt.gov.za](http://www.ncpt.gov.za).**

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

Clarity seeking questions following the briefing sessions can be done in writing to [JBoane@ncpg.gov.za](mailto:JBoane@ncpg.gov.za) from **8-10 June 2021**. Answers to all questions posed during the said period will be communicated to all prospective bidders who attended the compulsory briefing session by the 14<sup>th</sup> June 2021.

#### **TIMELINE OF THE BID PROCESS**

The period of validity of tender and the withdrawal of offers, after the closing date and time, is 90 days. The project timeframes of this bid are set out below:

<b>Activity</b>	<b>Due Date</b>
Advertisement of bid on print media / <a href="http://www.ncpt.gov.za">www.ncpt.gov.za</a>	21 May 2021
Notification of Briefing Session attendance	24 May 2021- 3 June 2021
Confirmation of receipt of notification and sending out Microsoft teams meeting link	7 June 2021
Briefing session	8 June 2021
Clarity seeking questions	8-10 June 2021
Answers to clarity seeking questions	14 June 2021
Bid closing date	18 June 2021 at 11:00
Bid Functionality Committee	24 June 2021
Bid Evaluation Committee	1 July 2021
Bid Adjudication Committee	8 July 2021

All dates and times in this bid are South African standard time.

Any time or date in this bid is subject to change at the NCPT's discretion. The establishment of a time or date in this bid does not create an obligation on the part of the NCPT to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if the NCPT extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

#### **5. CONTACT AND COMMUNICATION**

- 5.1. The bidder(s) must make all enquiries in writing to **J. Boane via email at [JBoane@ncpg.gov.za](mailto:JBoane@ncpg.gov.za)**. The delegated office of the NCPT may communicate with bidder(s) for any clarity regarding the bid proposal.

Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

- 5.2. Any communication to an official or a person acting in an advisory capacity for the NCPT in respect of the bid between the closing date and the awarding of the bid by the bidder(s) is discouraged.
- 5.3. All communication between the bidder(s) and the NCPT must be done in writing.
- 5.4. Whilst all due care has been taken in preparation of this bid, the NCPT makes no representations or warranties that the content of the bid or any information communicated to or provided to bidder(s) during the bidding process is, or will be, accurate, current or complete. The NCPT and its employees and advisors will not be liable with respect to any information communicated which may not be accurate, current or complete.
- 5.5. If the bidder(s) finds or reasonably believes they found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the NCPT (other than minor clerical matters), the bidder(s) must promptly notify the NCPT in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the NCPT an opportunity to consider what corrective action is necessary (if any), at the discretion of the NCPT.
- 5.6. Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by the NCPT will, if possible, be corrected and provided to all prospective bidder(s) without attribution to the bidder(s) who provided the written notice.
- 5.7. All persons (including bidder(s)) obtaining or receiving the bid and any other information in connection with the bid or the tender process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this bid.

## **6. LATE BIDS**

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration.

## **7. COUNTER CONDITIONS**

Bidder(s)' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by bidder(s) or qualifying any bid conditions will result in the invalidation of such bids.

## **8. FRONTING**



**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

- 8.1. Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Government condemns any form of fronting.
- 8.2. The Government, in ensuring that bidder(s) conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry and Competition, be established during such enquiry/investigation, the onus will be on the bidder/ contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from the date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the NCPT may have against the bidder/contractor concerned.

**9. SUPPLIER DUE DILIGENCE**

The NCPT will conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

**10. SUBMISSION OF PROPOSALS**

- 10.1. Bid documents may be posted to **Cnr of Knight and Stead Street, MetLife Towers (Post Office building) Room 805, Floor 8, Kimberley, 8300**. Bidder(s) who wish to make use of speed services must mark "delivery to counter" and not to private bag/ box. Bidder(s) must also contact the SCM office, stating the tracking number of the bid document. It is the bidder's responsibility to ensure that the courier service delivers their document on time. Bidder(s) may place their bids in the tender box located at the front of the aforesaid address on or before the closing date and time.
- 10.2. Bid documents will only be considered if received by the NCPT before the closing date and time, regardless of the method used to send or deliver such documents. **The bidder(s) must submit one (1) original hard copy of each file and one (1) duplicate electronic copy (either memory stick or on CD pdf) by 18 June 2021 at 11:00. Failure to submit copies as indicated will result in the disqualification of the bid. All CD's/Memory stick should be clearly marked with Bid No. and bidder's name.**
- 10.3. Each file must be marked correctly and sealed separately for ease of reference during the evaluation process. Furthermore, the files must be labelled and submitted in the following format:

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

FILE 1 (TECHNICAL FILE)	FILE 2 (PRICE & BBBEE)
<b>1. MANDATORY REQUIREMENTS (Gate 1)</b> (Refer to section 16.1)	<b>3. PRICE AND BBBEE EVALUATION (Gate 3)</b> Refer to section 16.3 and Annexure A
<b>2. FUNCTIONALITY EVALUATION CRITERIA: (Gate 2)</b> Refer to section 16.2	

10.4 Bidder(s) are required to initial each page of the tender document on the bottom right hand corner.

#### 11 PRESENTATION / DEMONSTRATION

The NCPT reserves the right to request presentations/demonstrations from the short-listed bidder(s) as part of the bid evaluation process.

#### 12 DURATION OF THE CONTRACT

The successful bidder will be appointed to provide Internal Audit Services to the 6 listed public entities for the period of 3 years ending in 2025.

#### 13 SPECIFICATIONS/ SCOPE OF WORK

13.1 Prepare, in consultation with and for approval by the Audit Committee:

- a rolling three-year strategic internal audit plan for the relevant years (2022-23, 2023-24 and 2024-25) based on its assessment of key areas of risk for the institution, having regard to its current operations, those proposed in its strategic plan and its risk management strategy;
- an annual internal audit plan for each of the relevant years (2022-23, 2023-24 and 2024-25),
- plans indicating the proposed scope of each audit in the annual internal audit plan; and
- a quarterly report to the Audit Committee detailing its performance against the annual internal audit plan, to allow effective monitoring and possible intervention

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

- 13.2 Assess the operational procedure and monitoring mechanisms over all transfers made and received, including transfers in terms of the annual Division of Revenue Act (if applicable).
- 13.3 Report directly to the accounting authority and shall report at all Audit Committee meetings.
- 13.4 Co-ordinate with other internal and external providers of assurance to ensure proper coverage and to minimise duplication of effort.
- 13.5 Assist the accounting authority in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The controls subject to evaluation should encompass the following:
- the information systems environment;
  - the reliability and integrity of financial and operational information;
  - the effectiveness of operations;
  - safeguarding of assets; and
  - compliance with laws, regulations and controls.
- 13.6 Assist the accounting authority in achieving the objectives of the institution by evaluating and developing recommendations for the enhancement or improvement of the processes through which:
- objectives and values are established and communicated;
  - the accomplishment of objectives is monitored;
  - accountability is ensured; and
  - corporate values are preserved.
- 13.7 Perform risk based internal audit reviews in terms of the approved audit plan for the relevant financial years (last 9 months of 2021-22, 2022-23, 2023-24 and first 3 months of 2024-25).
- 13.8 Conduct audits in accordance with the standards set by the Institute of Internal Auditors.
- 13.9 Communicate audit findings to management and ensure that they are fully aware of the implications of the institution's operations.
- 13.10 Provide final reports with recommendations to management.
- 13.11 Provide input at the Audit Committee meetings, where necessary, and attend Audit Committee meetings in line with the Audit Committee Charter.
- 13.12 Perform the following Audit Committee secretariat functions for the entities' Audit Committee meetings:
- capture minutes of the meetings;
  - compile the draft Audit Committee report quarterly, based on the minutes of the meeting.
- 13.13 Perform any ad-hoc and specialist services/ audits as and when requested within the allocated hours.
- 13.14 Provide on-the-job training, mentorship and skills development to the current



**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

internal audit staff as and when necessary.

13.15 Provide monthly feedback to the Northern Cape Provincial Treasury on progress with the internal audit service contract.

13.16 Conduct audits using the same auditing software and version as NCPT Internal Audit unit (currently Teammate). It is the responsibility of the service provider to confirm with NCPT on the version that the audits are being conducted on at that time. Copies of the finalised files should be transferred to Northern Cape Provincial Treasury for quality and safekeeping purposes. Provide progress quarterly to Northern Cape Provincial Treasury.

13.17 Reconcile invoices and internal audit reports issued to the 6 public entities with the aim of quantifying the cost per entity for disclosure purposes in the entities' financial statements.

13.18 A fixed annual price increase of CPIX plus 1% is applicable to this bids/contract. This increase shall cover all aspects of the contract e.g increases in salaries, transport etc

13.19 Hours and activity allocation requirements

13.20 The hours allocated per entity per year are as follows: ✓

Entity	Hours 2021-22 9 months	Hours 2022-23	Hours 2023-24	Hours 2024-25 3 months	Total
Gambling Board	225	300	300	75	900
Liquor Board	225	300	300	75	900
NCEDA	225	300	300	75	900
Northern Cape Tourism Authority	225	300	300	75	900
McGregor Museum	225	300	300	75	900
Kalahari Kid Corporation	225	300	300	75	900
<b>Total</b>	<b>1350</b>	<b>1800</b>	<b>1800</b>	<b>450</b>	<b>5400</b>

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

The activities to be performed will be as per the internal audit plan that is approved by the Audit Committee. However, as an estimate, the activity allocation is:

Activity	% Allocation
Risk management	15
Governance	15
Internal control	55
Reporting to Audit Committee and management; performing Audit Committee secretariat functions (refer to 2.12)	10
Compilation of internal audit plans and three-year rolling strategic internal audit plans	5
<b>Total</b>	<b>100</b>

This translates into minimum of 2 assignments per quarter per entity. The total number of assignments per year will thus be minimum of  $8 \times 6$  entities = 48 assignments.

In the event that the entities might merge, then the hours and activities will be combined into the new entity and the internal audit service will continue.

#### **14 PRICE SCHEDULE (SEE ATTACHED ANNEXURE A)**

**This section of the specification must be completed by all bidder(s) as failure to comply shall lead to disqualification.**

- All offers must include VAT, if the bidder is eligible for VAT verifiable by a unique VAT number.
- All prices must be in South African Currency (Rand).

#### **15 EVALUATION AND SELECTION CRITERIA**

The NCPT has set minimum standards (Gates) that a prospective bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

<b>Mandatory requirements (Gate 1)</b>	<b>Functionality Evaluation Criteria (Gate 2)</b>	<b>Price and BBBEE (Gate 3)</b>
<p>Bidder(s) must submit all documents as outlined in the table below.</p> <p>Only bidder(s) that comply with mandatory requirements will proceed to Gate 2.</p>	<p>Bidder(s) are required to achieve a minimum of 60 points out of 100 to proceed to Gate 3</p>	<p>Bidder(s) will be assessed on price and BBBEE score.</p>

### 15.1 Gate 1: Mandatory Requirements

Without limiting the generality of the NCPT's other critical requirements for this bid, prospective bidder(s) must submit the documents listed in the table below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s).

During this phase, bidder(s)' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.

<b>Documents that must be submitted</b>	<b>Non-submission may result in disqualification</b>	
<b>Invitation to Bid – SBD 1</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Tax Status Tax Clearance Certificate</b>	<b>YES</b>	<p>In the event where the bidder submits a hard copy of the Tax Clearance Certificate, the Central Supplier Database (CSD) verification as well as SARS e-filing verification outcome will take precedence.</p> <p>At award, the successful bidder must be tax compliant on CSD and/ or SARS e-filing</p>
<b>Declaration of Interest – SBD 4</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Original certified BBBEE certificate with SANAs logo or original sworn affidavit and Preference Point Claim Form SBD 6.1</b>	<b>NO</b>	Bidder(s) are required to prove their BBBEE status Level

Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

<b>Declaration of Bidder's Past Supply Chain Management Practices – SBD 8</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Certificate of Independent Bid Determination – SBD 9</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Registration on Central Supplier Database (CSD)</b>	<b>YES</b>	<p>Bidder(s) must be registered as a service provider on the CSD.</p> <p>If a bidder is not registered, proceed to complete the registration of your company prior to submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number.</p> <p>Submit proof of registration and CSD Master Registration Number (MAAA...)</p>
<b>Certified copy of registration of team members with Institute of Internal Auditors (IIA).</b>	<b>YES</b>	All team members should be registered at the Institute of Internal Auditors (IIA).
<b>Pricing Schedule</b>	<b>YES</b>	Submit full details of the pricing proposal as per <b>Annexure A in a separate envelope</b>

## 15.2 Gate 2: Functionality Evaluation Criteria = 100 points

All bidder(s) are required to respond to the functionality evaluation criteria scorecard as indicated below. Only bidder(s) that have met mandatory requirements (Gate 1) will be evaluated in Gate 2 for functionality.

A bidder that scores less than 60% for functionality will be regarded as non-responsive and will be disqualified. All bidder(s) who receive 60% and more for functionality will further be evaluated on points for price and BBBEE score.

The criteria that will be considered for determining functionality include:

CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHTS
<b>Proposed methodology to execute the project</b>	<ul style="list-style-type: none"> <li>Project scheduled linked to time frames</li> <li>Details of</li> </ul>	<b>35</b>

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

	<b>deliverables</b> <ul style="list-style-type: none"> <li>• Communication and reporting methodology</li> <li>• Skills transfer strategy</li> </ul>	
<b>Team capacity</b>	<ul style="list-style-type: none"> <li>• Team members should have the necessary skills, qualifications and experience to perform the internal audit function in the public sector and presenting at Audit Committee meetings.</li> <li>• Brief resume indicating experience and qualifications of team members to be submitted</li> <li>• At least one person on the team should be a Certified Internal Auditor.</li> </ul>	30
<b>Written Trade References</b>	<ul style="list-style-type: none"> <li>• Experience of the service provider to undertake the scope of work involved with a brief description of past and present projects.</li> <li>• Minimum of 2 written trade references for Public Sector to be submitted.</li> </ul>	15
<b>Competencies and Knowledge</b>	<ul style="list-style-type: none"> <li>• Knowledge of PFMA and GRAP</li> <li>• Knowledge of</li> </ul>	20

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

	<b>Internal Audit Standards</b> <ul style="list-style-type: none"> <li>• Knowledge of Legislative Requirements for Public Entities</li> <li>• Other relevant policies/procedures/legislation</li> </ul>	
<b>TOTAL</b>		<b>100</b>

### 15.3 Gate 3: Price and BBBEE Evaluation (80+20) = 100 points

Only bidder(s) that have met the 60 point threshold in Gate 2 will be evaluated in Gate 3 for price and BBBEE. Price and BBBEE will be evaluated as follows:

In terms of Regulation 6 of the Preferential Procurement Regulations 2017 responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidder(s) on the basis of:

- The bid price (maximum 80 points)
- B-BBEE status level of contributor (maximum 20 points)

#### 15.3.1 Stage 1 – Price Evaluation (80 Points)

Criteria	Points
<b>Price Evaluation</b> $P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

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

Where

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

#### 15.3.2 Stage 2 – BBBEE Evaluation (20 Points)

##### a. BBBEE Points allocation



**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

A maximum of 20 points may be allocated to a bidder for attaining their BBBEE status level of contributor in accordance with the table below:

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

BBBEE points may be allocated to bidder(s) on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- Originally certified B-BBEE Certificate
- Original sworn affidavits

**b. Joint Ventures, Consortiums and Trusts**

A trust, consortium or joint venture will qualify for points for their BBBEE status level as a legal entity, provided that the entity submits their originally certified BBBEE status level certificate.

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

Bidder(s) must submit concrete proof of the existence of joint ventures and/or consortium arrangements. The NCPT will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the lead partner and the joint venture and/or consortium party. The agreement must also clearly identify the lead partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

**Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.**

Standard bidding documents (SBD) forms to be completed by each company.

**c. Sub-contracting**

Bidder(s) who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting.

The following is an extract from the PPPFA Act:

11(8) "A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer 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 tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract."

11(9) "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."

**15.3.3 Stage 2 (80 + 20 = 100 points)**

The Price and BBBEE points will be consolidated.

**16 GENERAL CONDITIONS OF CONTRACT**

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

- a. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which NCPT is prepared to enter into a contract with the successful bidder(s).
- b. The bidder submitting the General Conditions of Contract to NCPT together with its bid, duly signed by an authorised representative of the bidder.

**17 CONTRACT PRICE ADJUSTMENT**

No contract price adjustments will be allowed once the award has been made.

**18 SERVICE LEVEL AGREEMENT**

Upon award, the NCPT and the successful bidder will conclude a Service Level Agreement (SLA) regulating the specific terms and conditions applicable to the services being procured by the NCPT.



Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

## 19 SPECIAL CONDITIONS OF THIS BID

The NCPT reserves the right:

- a. To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- b. To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price, without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- c. To accept part of a tender rather than the whole tender.
- d. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- e. To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- f. To cancel and/or terminate the tender process at any stage, including after the closing date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- g. Award to multiple bidder(s) based either on size or geographic considerations.

## 20 REQUIRED DECLARATIONS FROM BIDDER(S)

In the bidder's technical response, bidder(s) are required to declare the following:

Confirm that the bidder(s) is to: –

- a. Act honestly, fairly, and with due skill, care and diligence, in the interests of the NCPT;
- b. Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- c. Act with circumspection and treat the NCPT fairly in a situation of conflicting interests;
- d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the NCPT;
- f. Avoidance of fraudulent and misleading advertising, canvassing and marketing;
- g. To conduct their business activities with transparency and consistently uphold the interests and needs of the NCPT as a client before any other consideration; and
- h. To ensure that any information acquired by the bidder(s) from the NCPT will not be used or disclosed unless the written consent of the client has been obtained to do so.

Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

## 21 CONFLICT OF INTEREST, CORRUPTION AND FRAUD

The NCPT reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of the NCPT or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")

- a. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of NCPT's officers, directors, employees, advisors or other representatives;
- d. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- e. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g. has in the past engaged in any matter referred to above; or
- h. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

## 22 MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that NCPT relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.

It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by NCPT against the bidder notwithstanding the conclusion of the Service Level Agreement between NCPT and the bidder for the provision of the

Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

## **23 PREPARATION COSTS**

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

## **24 INDEMNITY**

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

## **25 PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

## **26 LIMITATION OF LIABILITY**

A bidder participates in this bid process entirely at its own risk and cost. NCPT shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

## **27 TAX COMPLIANCE**

No tender shall be awarded to a bidder who is not tax compliant. NCPT reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to NCPT, or whose verification against the Central Supplier Database (CSD) proves non-compliant. NCPT further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

## **28 TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

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

## **29 GOVERNING LAW**

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

## **30 RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL**

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that NCPT allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and NCPT will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

## **31 CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with NCPT's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by NCPT remain proprietary to NCPT and must be promptly returned to NCPT upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure NCPT's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

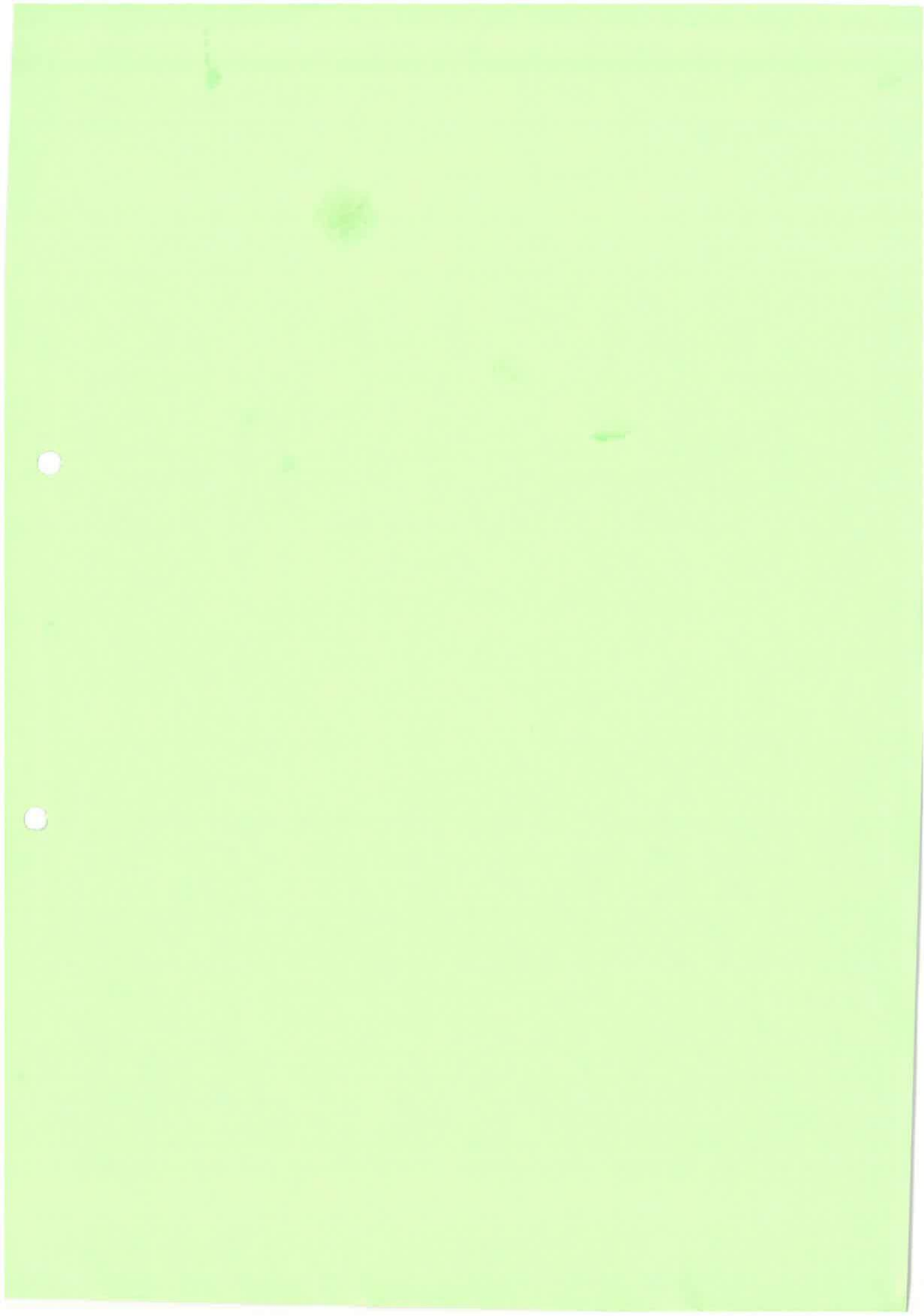
Request for proposals for the appointment of Internal Audit Service providers to service the Northern Cape Listed Public Entities for the period of 3 years.

### **32 NCPT PROPRIETARY INFORMATION**

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

### **33 AVAILABILITY OF FUNDS**

Should funds no longer be available to pay for the execution of the responsibilities of this bid (NCPT/01/2021) the NCPT may terminate the agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimize further expenditure; provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.







ISEBE LEZEMALI LOMNTLA KOLONI

**Metlife Towers Building  
Cnr. Knight & Stead Street  
Market Square  
KIMBERLEY  
8300**

		GAMBLING BOARD (900 HOURS FOR 3 YEARS)										
1	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1	Hours 2022-23 12 months	Costs for 12 months Year 2	Hours 2023-24	Costs for 12 months Year 3	Hours 2024-25 3 Months	Costs for 3 months Last year	Total Cost FOR 3 YEARS (A+BC+C+D)	
			A	B		C		D				
	Director											
	Manager											
	Senior											
	Junior											
	Junior											
	TOTAL		225	R	300	R	300	R	75	R		

LIQUOR BOARD (900 HOURS FOR 3 YEARS)											
2	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1 A	Hours 2022-23 12 months B	Costs for 12 months Year 2 C	Hours 2023-24 D	Costs for 12 months Year 3 E	Hours 2024-25 3 Months F	Costs for 3 months Last year G	Total Cost FOR 3 YEARS (A+BC+C+D)
	Director										
	Manager										
	Senior										
	Junior										
	Junior										
	TOTAL		225	R	300	R	300	R	75	R	



NCEDA (900 HOURS FOR 3 YEARS)											
3	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1	Hours 2022-23 12 months	Costs for 12 months Year 2	Hours 2023-24	Costs for 12 months Year 3	Hours 2024-25 3 Months	Costs for 3 months Last year	Total Cost FOR 3 YEARS (A+BC+C+D)
				A		B		C		D	
	Director										
	Manager										
	Senior										
	Junior										
	Junior										
	TOTAL			225 R	300 R	300 R	300 R	75 R			

NORTHERN CAPE TOURISM AUTHORITY (900 HOURS FOR 3 YEARS)											
4	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1	Hours 2022-23 12 months	Costs for 12 months Year 2	Hours 2023-24	Costs for 12 months Year 3	Hours 2024-25 3 Months	Costs for 3 months Last year	Total Cost FOR 3 YEARS (A+BC+C+D)
	Director			A		B		C		D	
	Manager										
	Senior										
	Junior										
	Junior										
	TOTAL		225	R	300	R	300	R	75	R	

MCGRGOR MUSEUM (900 HOURS FOR 3 YEARS)											
5	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1	Hours 2022-23 12 months	Costs for 12 months Year 2	Hours 2023-24	Costs for 12 months Year 3	Hours 2024-25 3 Months	Costs for 3 months Last year	Total Cost FOR 3 YEARS (A+8C+C+D)
	Director			A		B		C		D	
	Manager										
	Senior										
	Junior										
	Junior										
	TOTAL		225	R	300	R	300	R	75	R	

KALAHARI KID (900 HOURS FOR 3 YEARS)											
6	Project Team	Hourly Rate	Hours 2021-22 9 months	Cost for 9 months Year 1	Hours 2022-23 12 months	Costs for 12 months Year 2	Hours 2023-24	Costs for 12 months Year 3	Hours 2024-25 3 Months	Costs for 3 months Last year	Total Cost FOR 3 YEARS (A+BC+C+D)
	Director			A		B		C		D	
	Manager										
	Senior										
	Junior										
	Junior										
	TOTAL		225	R	300	R	300	R	75	R	

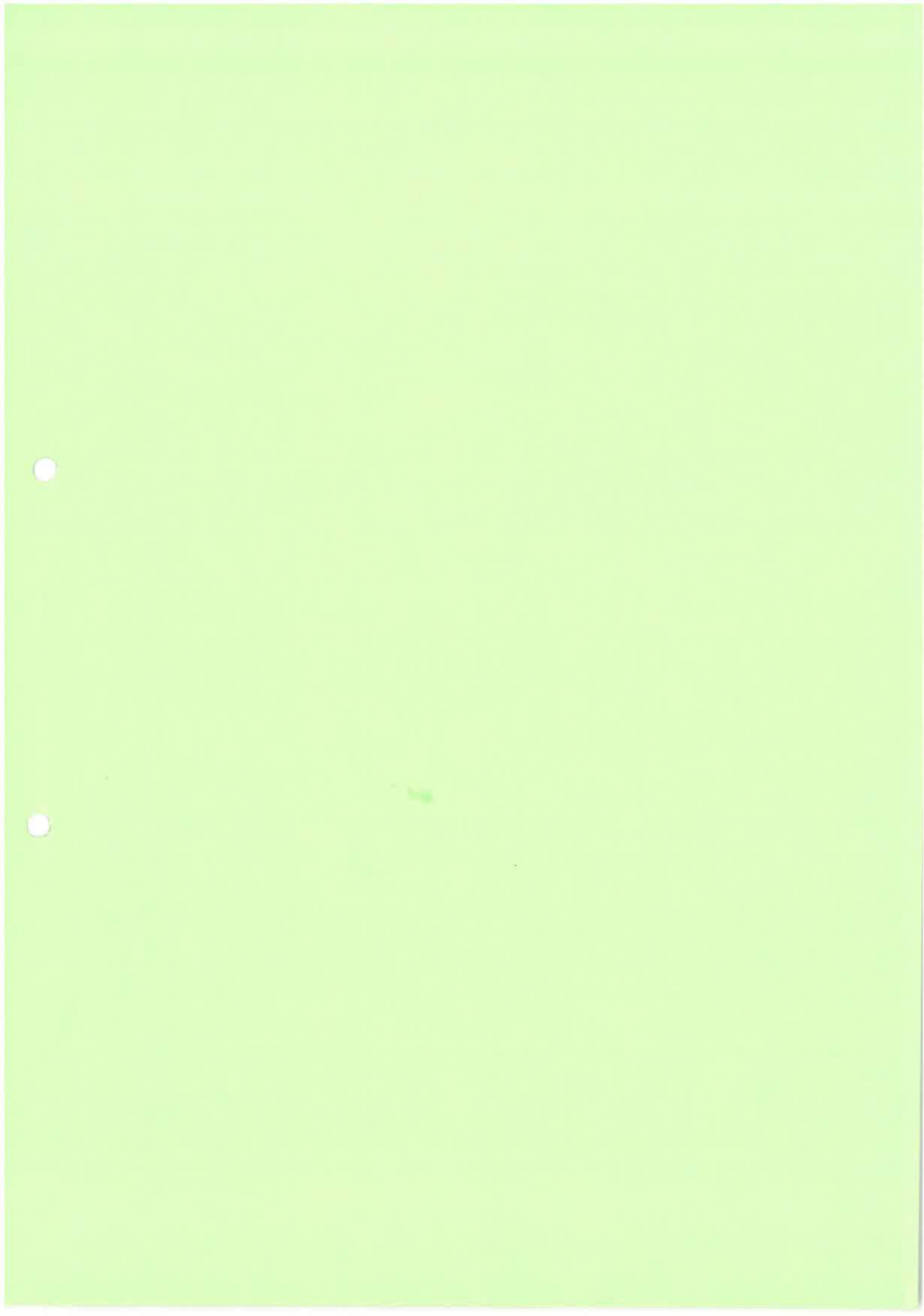
**SUMMARY OF THE TOTAL COST:**

TOTAL COST PER FOR 3 YEARS:2021-2025		AMOUNT
TOTAL COST FOR YEAR 1:2021-22 ( 9 MONTHS)		
TOTAL COST YEAR 2:2023-24 (12 MONTHS)		R.....
TOTAL COST YEAR 3:2023-24 (12 MONTHS)		R.....
TOTAL COST YEAR 3:2023-24 (3 MONTHS)		R.....
TOTAL BID PRICE ( INCLUSIVE OF VAT) ( SHOULD REFLECT ON ANNEXURE A FORM )		R.....

SIGNATURE

SURNAME & INITIALS

DATE



# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

## **TABLE OF CLAUSES**

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

## **General Conditions of Contract**

### **1. Definitions**

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the



RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

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

**2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

**3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

**4. Standards**

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

**5. Use of contract documents and information; inspection.**

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

**6. Patent rights**

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

**7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

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

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

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

#### **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

#### **10. Delivery and documents**

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

#### **11. Insurance**

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

#### **12. Transportation**

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

#### **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

#### **14. Spare parts**

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

**17. Prices**

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

**18. Contract amendments**

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

**19. Assignment**

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

**20. Subcontracts**

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

**21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

#### **24. Anti-dumping and countervailing duties and rights**

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



may be due to him

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|---------------------------------------|---|
| <b>25. Force Majeure</b>              | <p>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.</p> <p>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.</p>   |
| <b>26. Termination for insolvency</b> | <p>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.</p>   |
| <b>27. Settlement of Disputes</b>     | <p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <ul style="list-style-type: none"><li>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</li><li>(b) the purchaser shall pay the supplier any monies due the supplier.</li></ul> |
| <b>28. Limitation of liability</b>    | <p>28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p> <ul style="list-style-type: none"><li>(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</li></ul>   |

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)