



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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## **NOTIFICATION TO ALL BIDDERS**

**BID NUMBER NT001-2015: APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL INSTITUTIONS**

Kindly note that the closing date of the above-mentioned bid has been extended from **5 February 2015 until 16 February 2015** at 11:00. You are therefore requested to download the updated terms of reference from National Treasury website.

Yours faithfully

Daisy Nyamane  
Director: Supply Chain Management Unit  
Date: 2015/01/27

## INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NATIONAL TREASURY

BID NUMBER: **NT001-2015**

CLOSING DATE: **16 FEBRUARY 2015**

CLOSING TIME: **11:00**

DESCRIPTION: **APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL INSTITUTIONS.**

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS MAY BE POSTED TO:  
**DIRECTOR: SUPPLY CHAIN MANAGEMENT**  
**PRIVATE BAG X115**  
**PRETORIA**  
**0001**

OR

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)  
**240 Madiba Street between**  
**ABSA and the Salzburg Restaurant**

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED  
 (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

|                         |                        |
|-------------------------|------------------------|
| NAME OF BIDDER          | .....                  |
| POSTAL ADDRESS          | .....                  |
| STREET ADDRESS          | .....                  |
| TELEPHONE NUMBER        | CODE.....NUMBER.....   |
| CELLPHONE NUMBER        | .....                  |
| FACSIMILE NUMBER        | CODE ..... NUMBER..... |
| E-MAIL ADDRESS          | .....                  |
| VAT REGISTRATION NUMBER | .....                  |

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)

YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)

YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....  
A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR.....  
A REGISTERED AUDITOR .....  
[TICK APPLICABLE BOX]

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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?  
NO

YES or

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE .....

CAPACITY UNDER WHICH THIS BID IS SIGNED .....

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED .....

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

Department: National Treasury

Contact Person: Aletta Mbuyane

Tel: (012) 315 5285

Fax: (012) 315 5900

E-mail address: [aletta.mbuyane@treasury.gov.za](mailto:aletta.mbuyane@treasury.gov.za)

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

Technical enquiries:

Contact Person: Hlengiwe Kheswa

Tel: (012) 315 5192

Email: [hlengiwe.kheswa@treasury.gov.za](mailto:hlengiwe.kheswa@treasury.gov.za)

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

**Application for a Tax Clearance Certificate****Purpose**Select the applicable option ..... Tenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

|  |
|--|
|  |
|  |
|  |

**Particulars of applicant**

|   |   |  |  |  |  |                                      |   |  |  |  |  |
|---|---|--|--|--|--|--------------------------------------|---|--|--|--|--|
| Name/Legal name<br>(Initials & Surname<br>or registered name) |   |  |  |  |  |                                      |   |  |  |  |  |
| Trading name<br>(if applicable)                               |   |  |  |  |  |                                      |   |  |  |  |  |
| ID/Passport no  |   |  |  |  |  | Company/Close Corp.<br>registered no |   |  |  |  |  |
| Income Tax ref no   |   |  |  |  |  | PAYE ref no                          | 7 |  |  |  |  |
| VAT registration no   | 4 |  |  |  |  | SDL ref no                           | L |  |  |  |  |
| Customs code  |   |  |  |  |  | UIF ref no                           | U |  |  |  |  |
| Telephone no  |   |  |  |  |  | Fax<br>no                            |   |  |  |  |  |
| E-mail address  |   |  |  |  |  |                                      |   |  |  |  |  |
| Physical address  |   |  |  |  |  |                                      |   |  |  |  |  |
| Postal address  |   |  |  |  |  |                                      |   |  |  |  |  |

**Particulars of representative (Public Officer/Trustee/Partner)**

|                  |  |  |  |  |  |                   |  |  |  |  |  |
|------------------|--|--|--|--|--|-------------------|--|--|--|--|--|
| Surname          |  |  |  |  |  |                   |  |  |  |  |  |
| First names      |  |  |  |  |  |                   |  |  |  |  |  |
| ID/Passport no   |  |  |  |  |  | Income Tax ref no |  |  |  |  |  |
| Telephone no     |  |  |  |  |  | Fax<br>no         |  |  |  |  |  |
| E-mail address   |  |  |  |  |  |                   |  |  |  |  |  |
| Physical address |  |  |  |  |  |                   |  |  |  |  |  |

**Particulars of tender (If applicable)**Tender number Estimated Tender amount R Expected duration of the tender  year(s)**Particulars of the 3 largest contracts previously awarded**

| Date started         | Date finalised       | Principal            | Contact person       | Telephone number     | Amount               |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

**Audit**

Are you currently aware of any Audit investigation against you/the company?  YES  NO

If "YES" provide details

**Appointment of representative/agent (Power of Attorney)**I the undersigned confirm that I require a Tax Clearance Certificate in respect of  Tenders  or  Goodstanding.I hereby authorise and instruct  to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.Signature of representative/agent Date Name of representative/agent **Declaration**

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer Date Name of applicant/Public Officer **Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
  - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
  - without just cause shown by him, refuses or neglects to-
    - furnish, produce or make available any information, documents or things;
    - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

## SBD 4

## 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 an advertised competitive bid, a limited bid, a proposal or written price quotation). 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>, member): .....
  - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: .....
  - 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 attach 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?

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:

[illegible]

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

[illegible]

**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 SHOULD THIS  
DECLARATION PROVE TO BE FALSE.

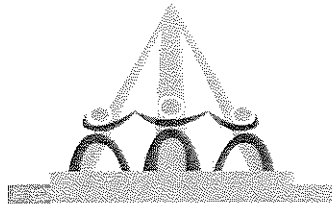
.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

November 2011



**CO-OPERATIVE BANKS DEVELOPMENT AGENCY**

27<sup>th</sup> Floor, 240 Vermeulen Street • Private Bag X115, Pretoria, 0001 • Tel: 012 315 5367 • Fax: 012 315 5905 • email: CBDA@treasury.gov.za

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**TENDER**

**FOR THE IMPLEMENTATION OF A BANKING  
PLATFORM FOR CO-OPERATIVE FINANCIAL  
INSTITUTIONS.**

**TERMS OF REFERENCE**

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## **A. BACKGROUND**

Co-operative financial institutions (CFIs) are well positioned to enhance access to affordable financial services to some of the people that are still unbanked and under-banked. The success of CFIs in driving financial inclusion will, amongst other things, depend on the sector's use of a suitable set of banking services, including the appropriate use of the National Payment System (NPS) capabilities. It is envisaged that the use of this set of services, or banking platform, will enable participating CFIs to become competitive and significantly increase their management capacity.

A Co-operative Bank Development Agency (CBDA), in line with its mandate of supporting, promoting and developing co-operative banking, including deposit-taking co-operatives, is taking the lead in identifying possible service providers to provide either the complete set of services or particular components of the set of services.

**The Secondary Co-operative Bank (SCB) will be registered that will:**

- Be responsible for all the regulatory obligations and requirements of a clearing bank, and;
- Provide access to the NPS on behalf of registered member CFIs through its membership in the Payments Association of South Africa (PASA), and;
- Take over from the CBDA the responsibility for the on-going contractual obligations of the banking platform.

## **B. COMPONENTS**

There are 3 main key components of the envisaged services making up the banking platform, being:

### **1. An IT banking service (Technology services).**

The IT service is the key enabler through which CFIs can improve not only their penetration levels, but their product offering and level of service. Additionally, such a service will also enable a more complete and robust means to manage information within the sector, as compared to the current situation. A scalable and cost-efficient

banking IT service that will allow the CFIs to configure and offer products they wish to make available to their members is required.

## **2. Central Support Service (Business services).**

This is an entity bringing together all the relevant services and support structures necessary for CFIs to effectively use the IT managed service in order to provide their members with the appropriate products and services. These services include training, operational CFI support, implementation services, accounting and financial support and reporting, 3<sup>rd</sup> party service enablement and CFI member operational support and managing the provision of the IT service and use of the NPS.

## **3. Use of the National Payment System (Payment services).**

This incorporates both the technical (physical connection and transaction processing) aspect of the platform as well as the business (reconciliation and settlement) aspect, for the particular payment streams that are required for the CFIs. The use of the NPS is a fundamental requirement for the successful implementation of the platform.

The intention of this project is to establish a full and complete banking platform or set of services, thereby addressing the most pressing business needs of the CFIs, and being made available on a ***managed service basis*** taking cognisance of the financial and resourcing constraints under which CFIs operate.

## **C. PURPOSE**

Suitably qualified service providers are invited to submit bids in respect of the provision of all or some of the components of a fully managed CFI banking platform as listed above. In your submission cognisance should be taken of the following **four (4) documents**:

1. Project overview, provided for insight into what is required ( **Annexure A**)
2. Co-operative Financial Institution business requirements specification (CFI BRS) ( **Annexure B**)
3. Micro Finance Institutions business requirements specification (MFI BRS) ( **Annexure C**)

4. Central Support Service (CSS) business requirements specification (CSS BRS); ( **Annexure D**)
5. The Business Systems specification (BSS). ( **Annexure E**)

The above-mentioned documents are available on the following website:

<http://www.treasury.gov.za/tenderinfo/default.aspx>

#### **D. SOLUTION**

In order to ensure a relatively smooth implementation of the full banking platform, the banking platform solution will be implemented in two (2) phases:

##### **a) Phase 1**

- The IT Banking Service;
- Components of the Central Support Service (CSS) required to train, support and implement the IT Banking Service which may include an independent General Ledger and administration thereof.

##### **b) Phase 2**

- Use of the National Payments System
- The balance of the components of the CSS required to manage the Banking Platform including settlement, at (**SAMOS**) South African Multiple Option Settlement, the service that is provided by the South African Reserve Bank where inter-bank settlement is completed.

In your response indicate which of the following components your response is in respect of:

- IT Banking Service (Technology services) ☐
- Central Support Service (Business services) ☐
- Use of the NPS (National Payment services) ☐

**NB: If you are not responding to all 3 components, kindly indicate if you are willing to partner with service providers who are prepared to provide components not responded to by you.**

YES ☐ or NO ☐

**NB: Kindly forward your proposal as to how the aspects that you are not responding to may be alternatively addressed.**

## **E. DELIVERABLES**

Your company's capability to provide the ***required managed service*** will be assessed from your response to whichever component or components you have selected to respond to. If your response is with regards to:

- **IT banking service** respond to each point/question listed in the CFI & MFI BRS and BSS documents as well as questions H1 to H7. If responding to this component you must be prepared to demonstrate your proposed service the project team in Pretoria.
- **Central support services.** Answer questions F1, F2 and H1 to H7.
- **Use of the NPS.** Answer questions G1 to G6 and H1 to H7

Be clear and precise with regards to answering each question.

Where applicable, only answer in terms of released software. If the functionality referred to will only be available in a future release, indicate this very clearly, providing a firm date as to when the functionality will be freely available for operational use to your customer base.

## **F. SUPPORT SERVICES**

1. Where will the support services office be constituted? If fragmented, indicate where each aspect will reside.
  - a. Training services;
  - b. Implementation support services;
  - c. CFI support services, both direct support and business process management;
  - d. Financial and accounting services;
  - e. Contact/Call Centre services:
    - i. CFIs – during normal business hours;
    - ii. CFI members – 7 X 24.
  - f. Reconciliation and administration.



2. Provide a short description of the structure & role of the proposed CSS showing and defining the different components.

## **G. PAYMENT SERVICES**

1. How do you propose to link the IT banking service to the appointed PCH service operators (PSOs) being BankServ Africa and one of either VISA or MasterCard for PCH services?
2. Will this service be available on a 7 X 24 hours basis?
3. How do you propose to manage and support the on-going operations of linking to the NPS? This should be answered in terms of transaction problem resolution, clearing support, settlement support and adjustments to standards and processes as decided by the relevant PCHs from time to time?
4. How and where will the card management service be integrated into the IT banking system?
5. Describe the topology of the IT service insofar as it enables a number of independent CFIs, each a financial services entity in its own right, and a central supporting environment. How will the set of services (banking platform) use and/or accommodate such a topology?
6. What are the implications for each CFI to connect to your service?

## **H. COSTS**

***NB: are applicable to each component of the solution***

1. Costs must include all the capital (initial setup related) and on-going operational costs. All costs must include the set-up costs per individual service offered, configuration costs for all software components, annual license/maintenance fees, any additional migration costs for the initial implementation, any termination costs, and any other cost that will have an effect on the cost of providing the service to CFIs.
2. When indicating operational costs, include the cost of ALL RESOURCES (e.g. people) involved in implementing and running the proposed services including helpdesk, loan administration services, etc.

3. Where appropriate, kindly break down the costs into their various components, such as capital, operational, training, usage, etc.
4. Should there be costs that are hard to establish kindly give the best estimate available and indicate that the cost is an estimate.
5. Provide details of the costs for each product account category and the transactions pertaining to that product account category. If no charge kindly state so. If tiered discounting is applicable, kindly disclose details of each relevant tier and associated costs.
6. Provide details of the costs for each service provided, e.g. Internet Banking, Mobile Banking and Card Management. If tiered discounting is applicable, kindly disclose details of each relevant tier and associated costs.
7. If there are any minimum costs applicable to any aspect of the services proposed kindly indicate this.

## **I. ASSESSMENT**

**Responses to the questions in the documents referred to and to those listed in section D above will form the criteria for evaluation.**

***Very important for assessment consideration.***

- 1. Only services whose costs and fees are payable in South African Rands will be considered for assessment.**
- 2. Only IT services that are presently implemented and functional will be considered for assessment.**

## J. ASSESSMENT CRITERIA

| CRITERIA  | Max. points |
|---|-------------|
| <b>1. TECHNOLOGY SERVICES</b>   |             |
| Meeting the technical requirements for an ICT-based multi tenanted CFI member orientated, cloud based service.                                    |             |
| a. Functionality of the system  | 15          |
| b. Ease of use of the system  | 5           |
| c. Support of the system  | 10          |
| <b>2. BUSINESS SERVICES</b>   |             |
| Based on the insight, understanding and capability to develop and manage a set of central support services covering the following specific areas: |             |
| a. Training   | 10          |
| b. Support  | 10          |
| c. Accounting, Administration & Reporting   | 5           |
| <b>3. NATIONAL PAYMENTS SYSTEM</b>  |             |
| Providing access to the NPS and incorporating a card management service.  |             |
| d. Card management system   | 10          |
| e. PCH services presently connected to the National Payments System   | 15          |
| <b>4. LOCAL SOUTH AFRICAN SERVICE</b>   | 10          |
| <b>5. PRESENTATION TO CBDA ON:</b>  | 10          |
| <ul style="list-style-type: none"> <li>• System Functionality</li> <li>• Business Services</li> <li>• National Payment System</li> </ul>          |             |
| <b>TOTAL</b>  | <b>100</b>  |

## **K. BRIEFING**

A non-compulsory information briefing session will take place on **23 January 2015** at 10h00 – 11h00 in Room 401, on the 4<sup>th</sup> Floor of the National Treasury building at 240 Madiba Street, Pretoria.

## **L. REQUIRED DOCUMENTATION**

**Bidders should submit the following documentation:**

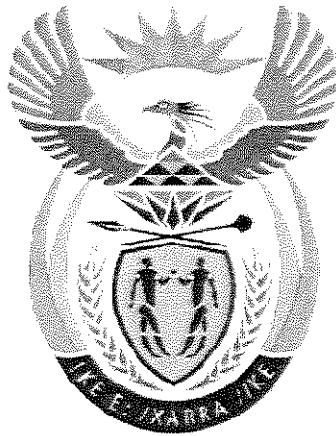
1. Answers to the points/questions listed in the CFI & MFI BRS and BSS as well as to the relevant questions for each component listed in section D.
2. The names and contact details of persons referenced in the Business document that will be providing the services.
3. The names and brief CVs of key project implementation personnel.

## **M. BIDS INSTRUCTIONS AND DEADLINE**

1. Bids must be sealed in an envelope clearly stating the costs of all 3 components of the solution.
2. The cost of each component must be sealed in a separate envelope
3. **Bids must be submitted at National Treasury, 240 Madiba Street, Pretoria at the Tender Information Centre.**
4. The deadline for submissions is at **11h00 on 16 February 2015.**

**All queries should be directed to: Hlengiwe Kheswa**

[Hlengiwe.Kheswa@treasury.gov.za](mailto:Hlengiwe.Kheswa@treasury.gov.za)



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**Special Conditions of Contract**

**NT001-2015**

**APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION  
OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL  
INSTITUTIONS**

**CLOSING DATE: 16 FEBRUARY 2015 at 11:00**

**VALIDITY PERIOD: 90 DAYS**

**S U P P L Y   C H A I N   M A N A G E M E N T**

## A SPECIAL CONDITIONS OF CONTRACT

This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with of the Treasury Regulations 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

### 1. EVALUATION PROCESS

1.1 The evaluation process comprises the following stages:

#### 1.1.1 Phase I: Initial screening process

During this phase bid documents will be reviewed to determine compliance with tax matters and whether original and valid tax clearance certificates have been submitted with the bid documents at closing date and time of bid.

#### 1.1.2 Phase II: Functionality Requirements as per the attached Terms of Reference

- a. The panel members will individually evaluate the responses received against the following criteria as set out below:

#### Evaluation Criteria

| CRITERIA  | Max. points |
|---|-------------|
| <b>1. TECHNOLOGY SERVICES</b>   |             |
| Meeting the technical requirements for an ICT-based multi tenanted CFI member orientated, cloud based service.                                    |             |
| a. Functionality of the system  | 15          |
| b. Ease of use of the system  | 5           |
| c. Support of the system  | 10          |
| <b>2. BUSINESS SERVICES</b>   |             |
| Based on the insight, understanding and capability to develop and manage a set of central support services covering the following specific areas: |             |
| a. Training   | 10          |
| b. Support  | 10          |

SPECIAL CONDITIONS OF CONTRACT NT001-2015: APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL INSTITUTIONS

|  |            |
|--|------------|
| c. Accounting & Administration and Reporting   | 5          |
| <b>3. NATIONAL PAYMENTS SYSTEM</b>   |            |
| Providing access to the NPS and incorporating a card management service.   |            |
| a. Card management system  | 10         |
| b. PCH Service presently connected to the National Payments System (SA NPS)  | 15         |
| <b>4. LOCAL SOUTH AFRICAN SERVICE</b>  | 10         |
| <b>5. PRESENTATION TO CBDA ON:</b>   | 10         |
| <ul style="list-style-type: none"> <li>• System Functionality</li> <li>• Business Services</li> <li>• National Payment System</li> </ul> |            |
| <b>TOTAL</b>   | <b>100</b> |

- b. Each panel member will rate each individual criterion on the score sheet using the following scale:

| Value | Description  |
|-------|--|
| 5     | Meets and exceeds the functionality requirements       |
| 4     | Above average compliance to the requirements           |
| 3     | Satisfactory and should be adequate for stated element |
| 2     | Compliance to the requirements                         |
| 1     | Unacceptable, does not meet set criteria               |

- c. The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- d. This score will be converted to a percentage and **only** bidders that have met or exceeded the minimum threshold of 60 percent for functionality will be evaluated and scored in terms of pricing and socio economic goals as indicated hereunder.
- e. Any proposal not meeting a minimum score of 60 percent technical proposal will be disqualified and the financial proposal will remain unopened.

**1.1.3 Phase III: Price/Financial stage**

Price will be evaluated as per paragraph 2 of the special conditions of contracts

## 2. EVALUATION CRITERIA

- a. In terms of regulation 5 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10-preference point for Broad-Based Black economic empowerment in terms of which points are awarded to bidders on the basis of:
- The bid price (maximum 90 points)
  - Broad-based black Economic Empowerment as well as specific goals (maximum 10 points)
- b. The following formula will be used to calculate the points for price in respect of bidders with a Rand value above R1 000 000:

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

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

A maximum of 10 points may be awarded to a bidder for being a Broad-Based Black Economic Empowerment and/or subcontracting with a Broad-Based Black Economic Empowerment stipulated in the Preferential Procurement regulations. For this bid the maximum number of Broad-based black Economic Empowerment status that could be allocated to a bidder is indicated in paragraph 2.1.

- c. The State reserves the right to arrange contracts with more than one contractor.
- d. It is the Government's intention to promote the following Broad-Based Black Economic Empowerment with this bid, and the points to be allocated are indicated against each level of contributor:

### 2.1 POINTS

The Preferential Procurement Policy Framework Act 2000 (PPPFA) Regulations were gazetted on 8 June 2011 (No. 34350) and effective from 7 December 2011. These regulations require bidders to submit valid original or certified copies of their B-BBEE Status Level Certificates from a SANAS accredited verification agency and accredited Auditing firm, the 90/10 preference points systems will be applied in accordance with the formula and applicable points provided for in the respective status level contributor tables in the Regulations.

| B-BBEE Status Level of Contributor | Number of points (90/10 system) |
|------------------------------------|---------------------------------|
| 1                                  | 10                              |



SPECIAL CONDITIONS OF CONTRACT NT001-2015: APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL INSTITUTIONS

|                           |   |
|---------------------------|---|
| 2                         | 9 |
| 3                         | 8 |
| 4                         | 5 |
| 5                         | 4 |
| 6                         | 3 |
| 7                         | 2 |
| 8                         | 1 |
| Non-complaint contributor | 0 |

Failure to capture the required status level and to submit the required B-BBEE status level certificates will lead to a zero (0) status level for non-compliant service providers.

- a. The points scored by a bidder in respect of the points indicated above will be added to the points scored for price.
- b. Bidders are requested to complete the various preference claim forms in order to claim preference points.
- c. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for B-BBEE status.
- d. Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to B-BBEE status.
- e. Points scored will be rounded off to the nearest 2 decimals.
- f. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.

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

The bidder must submit copies of identity documents of all directors or shareholders of the company with the bid documents at the closing date and time of the bid.

### 3. MANDATORY REQUIREMENTS

The bidder must submit copies of identity documents of directors or shareholders of the company who will be responsible for this project with the bid documents at the closing date and time of the bid, and failure to do so your bid may not be considered.

**4. TAX CLEARANCE CERTIFICATE**

An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time.

**5. VALUE ADDED TAX**

All bid prices must be inclusive of 14% Value-Added Tax.

**6. REGISTRATION**

Latest proof of company registration from Companies and Intellectual Property Commission (CIPC) must be submitted in the form of certified copies of the relevant registration documents

**7. CLIENT BASE**

7.1 Bidders must have specific experience and submit at least three recent references (in a form of written proof (s) on their company's letterhead including relevant person (s), telephone, fax numbers and e-mails) of similar work undertaken.

7.2 National Treasury reserves the right to contact references during the evaluation and adjudication process to obtain information.

**8. COMMUNICATION**

Supply Chain Management will communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period. Any

communication either by facsimile, letter or electronic mail or any other form of correspondence to any government official, department or representative of a testing institution or a person acting in an advisory capacity for the National Treasury in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

**9. COUNTER CONDITIONS**

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders will result in invalidation of such bids.

**10. PROHIBITION OF RESTRICTIVE PRACTICES**

a. In terms of section 4(1) 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:

- directly or indirectly fixing a purchase or selling price or any other trading condition;
- dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or

- collusive bidding.

- b. If a bidder(s) or contractor(s), in the judgment of the purchaser, has/have engaged in any of the restrictive practices referred to above, the purchaser may, without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered or terminate

the contract in whole or in part and 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.

## 11. FRONTING

- a. The National Treasury 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 National Treasury condemns any form of fronting.
- b. The National Treasury, in ensuring that bidders 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 and Industry, be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from 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 National Treasury may have against the bidder/contractor concerned.

## 12. PRESENTATION

National Treasury may require presentations/interviews from short-listed bidders as part of the bid process

- 12.1 A non-compulsory briefing session associated with this bid will be held on the following date:

Date: 23 January 2015  
Time: 10:00am-11:00am  
Venue: 240 Madiba Street, 4th Floor, Room 401

## 13. TIMEFRAMES AND FORMAL CONTRACT

Successful bidder(s) will be required to enter into formal contract with the National Treasury.

#### 14. PACKAGING OF BID

*The bidder shall place both the sealed Technical Proposal and Price/ Financial Proposal envelopes into an outer sealed envelope or package, and must be clearly marked as follows:*

##### 15.1 FUNCTIONALITY/TECHNICAL PROPOSAL

Bid No: NT001-2015

Description: Appointment of a service provider for the implementation of banking platform for co-operative financial institutions.

Bid closing date and time: 16 February 2015 at 11h00

Name and address of the bidder:

In this envelope, the bidder shall only address the technical aspects of the bid.

##### 15.2 PRICE/ FINANCIAL PROPOSAL

Bid No: NT001-2015

Description: Appointment of a service provider for the implementation of banking platform for co-operative financial institutions.

Bid closing date and time: 16 February 2015 at 11h00

Name and address of the bidder:

In this envelope, the bidder shall provide the price/ financial proposal.

**The Technical Proposal envelope and the Price/ financial Proposal envelope shall contain one original hard copy document, clearly marked "Original", and four (4) hardcopies, clearly marked "Copy" (i.e. five hard copies and a CD must be included in each envelope).**

#### 16 CONTACT DETAILS

Supply Chain Management, 4th floor at National Treasury,

Private Bag x 115, Pretoria, 0001

Physical address: 240 Madiba Street (Vermeulen), Pretoria

For General enquiries: Aletta Mbuyane/Tumelo Kwinana, tel: 012-315-5285/012 395 6632, fax: 012-315-5900 or e-mail: [aletta.mbuyane@treasury.gov.za](mailto:aletta.mbuyane@treasury.gov.za)/  
[tumelo.kwinana@treasury.gov.za](mailto:tumelo.kwinana@treasury.gov.za)

For Technical enquiries: Hlengiwe Kheswa tel: 012 315 5192 or email: [hlengiwe.kheswa@treasury.gov.za](mailto:hlengiwe.kheswa@treasury.gov.za)

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: \_\_\_\_\_ BID NO.: **NT001-2015**

CLOSING TIME **11:00 ON 16 February 2015**

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

| ITEM NO | DESCRIPTION | BID PRICE IN RSA CURRENCY<br>INCLUSIVE OF <u>VALUE ADDED TAX</u> |
|---------|-------------|--|
|---------|-------------|--|

**APPOINTMENT OF A SERVICE PROVIDER FOR THE IMPLEMENTATION OF BANKING PLATFORM FOR CO-OPERATIVE FINANCIAL INSTITUTIONS.**

Bidder (s) who will be rendered services and rates applicable should be in line with the hourly fee rates for consultants issued by the Department of Public Service and Administration (DPSA) approved rates. A breakdown of rates of the team to be used must be submitted.

1. Services provided must be in accordance with the attached terms of reference:

| Name of person | Hourly Rate (R excl. VAT) | Hourly Rate ( VAT inclusive) | Monthly Rate (R inclusive VAT) | Total cost of the assignment (R inclusive VAT) |
|----------------|---------------------------|------------------------------|--------------------------------|--|
|                | R                         |                              | R                              | R  |
|                | R                         |                              | R                              | R  |

**Bidders are to indicate a total cost of the assignment, which includes VAT, fees and disbursements (travel, car-hire, hotel accommodation, printing of reports, workshops etc).** R \_\_\_\_\_ / total cost of this project

3. Period required for commencement with project after acceptance of bid \_\_\_\_\_

4 Are the rates quoted firm for the full period ? Yes/No

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

\_\_\_\_\_  
\_\_\_\_\_

Aletta Mbuyane Tel: (012) 315 –5285  
E-mail: [aletta.mbuyane@treasury.gov.za](mailto:aletta.mbuyane@treasury.gov.za)

Any enquiries regarding technical enquiries may be directed to –

Hlengiwe Kheswa  
Tel: (012) 315 5192

**NATIONAL TREASURY RESERVES THE RIGHT TO NEGOTIATE DAILY RATES SUBMITTED BY BIDDERS.  
PLEASE REFER TO THE ATTACHED TERMS OF REFERENCE FOR MORE INFORMATION**

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

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, 2011.**

### 1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes
- 1.2 The value of this bid is estimated to be more than R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.
- 1.3 Preference points for this bid shall be awarded for:
- (a) Price; and
  - (b) B-BBEE Status Level of Contribution.
- 1.3.1 The maximum points for this bid are allocated as follows:

|   | POINTS     |
|---|------------|
| 1.3.1.1 PRICE   | 90         |
| 1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION   | 10         |
| <b>Total points for Price and B-BBEE must not exceed</b>  | <b>100</b> |
| 1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed. |            |
| 1.5. 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

- 2.1.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **“non-firm prices”** means all prices other than “firm” prices;
- 2.13 **“person”** includes a juristic person;
- 2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and



- 2.18 “trustee” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE 2010 PREFERENCE POINT SYSTEMS

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

**90/10**

$$Ps90\left(1 - \frac{Pt - P_{\min}}{P_{\min}}\right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

### 5. Points awarded for B-BBEE Status Level of Contribution

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

| <b>B-BBEE Status Level of Contributor</b> | <b>Number of points (90/10 system)</b> |
|---|--|
| 1   | 10                                     |
| 2   | 9                                      |
| 3   | 8                                      |
| 4   | 5                                      |
| 5   | 4                                      |
| 6   | 3                                      |
| 7   | 2                                      |
| 8   | 1                                      |
| Non-compliant contributor                 | 0                                      |

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

## 6. BID DECLARATION

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

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

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

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

**8 SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....%
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm ..... :

9.2 VAT registration number : .....

9.3 Company registration number ..... :

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium  
One person business/sole propriety  
Close corporation  
Company  
(Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

Manufacturer  
Supplier  
Professional service provider  
Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution

**WITNESSES:**

1. ....

.....  
SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

ADDRESS:.....

.....

.....

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

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

| 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?<br><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><br><br>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<br><input type="checkbox"/> | No<br><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)?<br><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<br><input type="checkbox"/> | No<br><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<br><input type="checkbox"/> | No<br><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<br><input type="checkbox"/> | No<br><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

Js914w 2

DEPARTMENT OF NATIONAL TREASURY



PLEASE COMPLETE QUESTIONNAIRE A OR B

**Contractors'/Suppliers' Questionnaire – Individuals:**  
**Questionnaire A**

Please answer the questions by marking the appropriate column with an "X".  
Please do not leave out any question relating to your specific circumstances.

|   |  |
|---|--|
| <b>Contractor/Supplier Name:</b>  |  |
|   |  |
| <b>Natural Persons:</b>   |  |
| Surname:  |  |
| Initials:   |  |
| First two names:  |  |
| Title:  |  |
| ID number or passport number:   |  |
| Nationality:  |  |
| Income Tax reference number:  |  |
| Date of birth:  |  |
| If not a citizen of the RSA, furnish a certified copy of a work permit:   |  |
| Postal address and code:  |  |
|   |  |
|   |  |
| Residential address and code:   |  |
|   |  |
|   |  |
| Telephone numbers:  |  |
| Facsimile numbers:  |  |
| E-mail address:   |  |
| If in possession of a tax clearance certificate or exemption certificate (IRP30), furnish a certified copy thereof: |  |
| Jurisdiction in which contractor is "ordinarily resident" i.e. place of permanent residence:                        |  |

## DEPARTMENT OF NATIONAL TREASURY

|  |
|--|
|  |
|--|

| Question                        |  | Yes | No |
|---------------------------------|--|-----|----|
| 1.                              | Do you supply services on behalf of a Labour Broker?   |     |    |
| 2.                              | Are you subject to the control or supervision of the National Treasury (NT)? Including, but not limited to, the following: <ul style="list-style-type: none"> <li>The manner of duties performed;</li> <li>The hours of work;</li> <li>The quality of work.</li> </ul> |     |    |
| 3.                              | Are you paid at regular intervals i.e. daily, weekly, monthly etc? (If the payments are made at regular intervals or by a rate per time period)  |     |    |
| 4.                              | Will payment to you include any benefits? Including, but not limited to, the following: <ul style="list-style-type: none"> <li>Leave pay;</li> <li>Medical aid;</li> <li>Training;</li> <li>Sick Leave.</li> </ul>   |     |    |
| 5.                              | Will, or have you be/been in the full time employment of the NT?   |     |    |
| 6.                              | Will you require of the NT to provide any equipment, tools, materials or office space, in order to fulfil the contract?  |     |    |
| 7.                              | Do you supply these, or similar, services only to the NT and not to any other client or the general public?  |     |    |
| 8.                              | Will you be required to work more than 22 hours per week?  |     |    |
| 8.1                             | If "yes", will payment be made on an hourly, daily weekly or monthly basis?  |     |    |
| 8.2.1                           | Will you work solely for the NT?   |     |    |
| 8.2.2                           | Will you provide a written statement to this effect?   |     |    |
|                                 |  |     |    |
| <b>Non-Residents of the RSA</b> |  |     |    |
| 9.                              | Will you return to your jurisdiction of residence upon the termination of the contract?  |     |    |
| 10.                             | Is the contract to exceed a period of three years?   |     |    |
| 11.                             | Will you be returning to the jurisdiction of residence during the course of the contract? If so, for what periods of time?   |     |    |
| 12.                             | Is your employer resident in the Republic of South   |     |    |

## DEPARTMENT OF NATIONAL TREASURY

| Question |   | Yes | No |
|----------|---|-----|----|
|          | Africa or does a permanent establishment or branch represent the employer in the Republic?  |     |    |
| 13.      | If a permanent establishment or branch represents the employer in the Republic, will your salary be paid from such permanent establishment or branch? |     |    |
| 14.      | Will you be required to perform any work outside of the Republic?   |     |    |
| 15.      | Do you agree to submit copies of your passport should the NT, so require?   |     |    |

### PARTICULARS OF PERSON ACTING AS REPRESENTATIVE OF THE ENTERPRISE

I, the undersigned, confirm that the information provided above is accurate, and that while in receipt of payment from NT, will inform NT of any changes that take place pertaining the information provided above.

|                                     |                  |                        |
|-------------------------------------|------------------|------------------------|
| <b>Representative's Full Names:</b> | <b>Capacity:</b> | <b>Contact number:</b> |
|                                     |                  |                        |
| <b>Signature:</b>                   |                  | <b>Date:</b>           |
|                                     |                  |                        |

DEPARTMENT OF NATIONAL TREASURY



PLEASE COMPLETE QUESTIONNAIRE A OR B

**Contractors'/Suppliers' Questionnaire – All Service Providers  
(excluding Individuals): Questionnaire B:**

Please answer the questions by marking the appropriate column with an "X".  
Please do not leave out any question relating to your specific circumstances.

|  |  |
|--|--|
| <b>Contractor/Supplier Name:</b>   |  |
|  |  |
| <b>Corporate Contractors (including companies, close corporations and trusts):</b> |  |
| <b>Registered name and furnish a certified copy of registration:</b>               |  |
| <b>Nature of legal entity:</b>   |  |
| <b>Trade name:</b>   |  |
| <b>Registration number:</b>  |  |
| <b>Date of incorporation:</b>  |  |
| <b>Jurisdiction of incorporation:</b>  |  |
| <b>Jurisdiction where effective management is performed:</b>                       |  |
| <b>Income tax reference number:</b>  |  |
| <b>Employees' Tax reference number:</b>  |  |
| <b>Value Added Tax number and furnish a certified copy of VAT 103 Certificate:</b> |  |
| <b>Postal address and code:</b>  |  |
|  |  |
|  |  |
| <b>Physical address and code:</b>  |  |
|  |  |
|  |  |
| <b>Telephone numbers:</b>  |  |
| <b>Facsimile numbers:</b>  |  |
| <b>E-mail address:</b>   |  |
|  |  |

## DEPARTMENT OF NATIONAL TREASURY

| Question |  | Yes | No |
|----------|--|-----|----|
| 1.       | Are you a "Labour Broker" i.e. do you provide payment for supplying the National Treasury (NT) with a person/s? If so, furnish a certified copy of an IRP30, which is valid for the period of the contract.                                    |     |    |
| 2.       | Is the service to be rendered personally by any person, who is a connected person, in relation to the entity? (For example a shareholder, member or their direct family)   |     |    |
| 3.       | Do you employ four or more employees on a full time basis throughout the year, excluding connected parties? If so, are these employees engaged in rendering the service to the NT? (For example secretarial employees would NOT be so engaged) |     |    |
| 4.       | Would you be regarded as an employee of the NT if the service was rendered by the person directly to the NT, other than on behalf of the contractor?   |     |    |
| 5.       | Do you, the Company, Close Corporation or Trust receive any form of training supplied or paid for by NT? If "yes", please specify the nature and extent of the training:   |     |    |
| 6.       | Are you, the Company Close Corporation or Trust free to choose which tools or equipment, or staff, or raw materials, or routines, patents and technology to use in performing your main duties?  |     |    |
| 7.       | In order to perform your main duties, do you, or does such a person, Company, Close Corporation or Trust, use any tools or equipment supplied or paid for by NT? If "yes", please state the nature thereof:                                    |     |    |
| 8.       | Are you subject to the control or supervision of the NT, as to the manner in which, or hours during which, the duties are performed or are to be performed in rendering the service?   |     |    |
| 9.       | Will the amounts paid or payable in respect of the service consist of, or include, earnings of any description, which are payable at regular daily, weekly, monthly, or other intervals?   |     |    |
| 10.      | Will more than 80% of your income, during the year   |     |    |

## DEPARTMENT OF NATIONAL TREASURY

| Question |   | Yes | No |
|----------|---|-----|----|
|          | of assessment, from services rendered, consist of or be likely to consist of amounts received directly or indirectly from <b>any one client</b> , or any associated institution, in relation to the client?   |     |    |
| 11.      | Does your contract contain any elements of an employment contract? [i.e. Job titles, reporting structure in organisation, fixed working hours, employment benefits, performance bonuses (excluding bonus and penalties for early or late delivery)] |     |    |
| 12.      | Does your contract contain any clause that will enable you to receive payment, even if no work was done?  |     |    |
| 13.      | Have you ever been classified as a Labour Broker or personal services company (including Close Corporation and Trust) by SARS or any other client?  |     |    |
| 14.      | If the answer to question 13 was "yes", did anything change that no longer classifies you as a labour broker or personal services company? If "yes", elaborate:   |     |    |

### PARTICULARS OF PERSON ACTING AS REPRESENTATIVE OF THE ENTERPRISE

I, the undersigned, confirm that the information provided above is accurate, and that while in receipt of payment from NT, will inform NT of any changes that take place pertaining the information provided above.

|                                     |                  |                        |
|-------------------------------------|------------------|------------------------|
| <b>Representative's Full Names:</b> | <b>Capacity:</b> | <b>Contact number:</b> |
|                                     |                  |                        |
| <b>Signature:</b>                   |                  | <b>Date:</b>           |
|                                     |                  |                        |





# NATIONAL TREASURY REPUBLIC OF SOUTH AFRICA

## ENTITY MAINTENANCE

BAS

☐

LOGIS

☐

### For Office Use Only

Requested by

Approved by

Captured by

Date captured

Authorised by

Date authorised

Captured on Safety web

Yes

No

### The Director-General: National Treasury

1. I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.
2. I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that not additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).
3. I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.
4. This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post.
5. Information must be validated as per required bank screens.
6. I/We understand that the bank details provided should be exactly as per the records held by the bank.
7. I/We understand that the Department will not assume responsibility for any delayed payments due to incorrect information supplied.

### Company / Personal Details

Registered Name

Trading Name

Tax Number

VAT Number

Title

Initials

First Name

Surname

### Address Detail

Payment Address

Postal Code

### Entity Number Type

New entity information ☐

☐ Update entity information

Entity Type:

☐

Individual

☐

Department (Nat)

☐

Prov Gov (ES)

☐

Supplier

☐

Department (Prov)

☐

Loc Authorities

☐

Foreign Supplier

☐

Prov Gov (CG)

☐

Other

Department Number

Logis Supplier Number

### Entity Bank Account Details

**Please note that this account MUST be in the name of the entity. No 3rd party payments allowed.**

|                             |                          |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|-----------------------------|--------------------------|------------------------|----------------------|--|--|--|--|--|--|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Account Name                | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Name of Bank                | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account Number              | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Branch Name                 | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Branch Number               | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account Type                | <input type="checkbox"/> | Cheque Account         |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|                             | <input type="checkbox"/> | Savings Account        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|                             | <input type="checkbox"/> | Transmission Account   |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|                             | <input type="checkbox"/> | Bond Account           |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|                             | <input type="checkbox"/> | Other (Please Specify) | <input type="text"/> |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ID Number                   | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Passport Number             | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Persal Number               | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Company Registration Number | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| CC Registration *           | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  | * Please include CC/BK where applicable |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Practise Number             | <input type="text"/>     |                        |                      |  |  |  |  |  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

BANK STAMP

**Please confirm that the above details have been verified against the following screens:**

**ABSA - CIF screen**

**FNB - Hogans system on the CIS4**

**STANDARD BANK - Look-up-screen**

**NEDBANK - Banking Platform under the Client Details Tab**

### Contact Details

|                |                      |                |                      |
|----------------|----------------------|----------------|----------------------|
| Business       | <input type="text"/> | Home           | <input type="text"/> |
| Fax            | <input type="text"/> | Cellular Phone | <input type="text"/> |
| E-mail Address | <input type="text"/> |                |                      |
| Contact Person | <input type="text"/> |                |                      |

Entity Signature

Print Name

Date

### PLEASE RETURN TO THE FOLLOWING ADDRESS

National Treasury

Private Bag X115, Pretoria, 0001

or

240 Vermeulen Street, Pretoria, 0002

Enquiries: Ms J Masemola

Contact no: 012 315 5562

**NB: All relevant fields must be completed**

**GOVERNMENT PROCUREMENT**

**GENERAL CONDITIONS OF CONTRACT**

**NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

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

- |  |  |
|--|--|
| <b>2. Application</b>  | <p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>   |
| <b>3. General</b>  | <p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from <a href="http://www.treasury.gov.za">www.treasury.gov.za</a></p>  |
| <b>4. Standards</b>  | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>  |
| <b>5. Use of contract documents and information; inspection.</b> | <p>5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| <b>6. Patent rights</b>  | <p>6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p>   |
| <b>7. Performance security</b>                                   | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p>   |

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

**8. Inspections,  
tests and  
analyses**

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



supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

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

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

#### 14. Spare parts

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

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

#### 15. Warranty

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

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

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

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

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

- 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.
- 24. Anti-dumping and countervailing duties and rights**
- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable

difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

**25. Force  
Majeure**

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

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

**26. Termination  
for insolvency**

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

**27. Settlement of  
Disputes**

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

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

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

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

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

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

**28. Limitation of  
liability**

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss

or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

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

**30. Applicable law**

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

**31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.