

PART A INVITATION TO BID

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

BID NUMBER:	NT016-2018:	CLOSING DATE:	08-02-2019	CLOSING TIME:	11:00 AM
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE NATIONAL CERTIFICATE: SUPPLY CHAIN MANAGEMENT (SAQA QUAL ID: 74149) AS A LEARNERSHIP PILOT PROGRAMME FOR THE PUBLIC SECTOR IN VARIOUS PROVINCES OF SOUTH AFRICA FOR A PERIOD OF EIGHTEEN 18 MONTHS.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE FOLLOWING ADDRESS:

TENDER INFORMATION CENTRE (TIC)

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

240 Madiba Street between

ABSA and Urban Eatery Restaurant

SUPPLIER INFORMATION

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

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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT/ PUBLIC ENTITY	National Treasury	CONTACT PERSON	Daniel Mokoena
CONTACT PERSON	Thivhileli Matshinyatsimbi / Sithembile Skosana	TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	Daniel.Mokoena@treasury.gov.za
E-MAIL ADDRESS	<u>thivhileli.matshinyatsimbi@treasury.gov.za / sithembile.skosana@treasury.gov.za</u>		

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

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

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

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

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



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

**THE APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE
NATIONAL CERTIFICATE: SUPPLY CHAIN MANAGEMENT
(SAQA QUAL ID: 74149) AS A
LEARNERSHIP PILOT PROGRAMME FOR THE PUBLIC SECTOR
IN VARIOUS PROVINCES OF SOUTH AFRICA**

1. BACKGROUND INFORMATION

1.1. Beneficiary country

Government of the Republic of South Africa (GoRSA).

1.2. Contracting Authority

Office of the Accountant-General in the National Treasury of South Africa.

1.3. Relevant country background

The National Treasury (NT) of South Africa is a national government department under the executive authority of the Ministry of Finance and is responsible for coordinating macroeconomic policy and promoting the national fiscal policy framework. Its role is defined by the Constitution of the Republic of South Africa, 1996 (Act of 1996) (The Constitution) and the Public Finance Management Act, 1999 (Act 29 of 1999, as amended by Act 29 of 1999) (PFMA). The NT coordinates intergovernmental financial relations, manages the budget preparation process and exercises control over the implementation of the annual national budget, including any adjustments budgets. The NT also performs functions assigned to it in other legislation, such as The Local Government: Municipal Finance Management Act (MFMA).

The NT has a constitutional and national legislative mandate to manage public sector financial matters in South Africa, including the capacity development of public supply chain management (SCM) practitioners. The NT fulfils a pivotal role in the implementation and management of the Public Finance Management Act (Act No 1 of 1999) (PFMA) as well as the Municipal Finance Management Act, 2003 (Act No 56 of 2003) (MFMA). The essence of both these Acts is to regulate financial management in the public sector at national and provincial levels, and municipal level respectively. The PFMA as well as the MFMA are intended to ensure that all revenue, assets, liabilities and expenditures are managed effectively and efficiently and that the responsible officials are equipped with appropriate and necessary knowledge to adhere in a compliant manner to the intentions stipulated in the respective Acts.

Section 6(2) (d) of the PFMA stipulates that the National Treasury “*may assist departments and constitutional institutions in building their capacity for efficient, effective and transparent financial management*”. This may include the development, issuing and enforcing of uniform norms and standards, including norms and standards for PFM practitioners. Given the complexity and scope of the capacity development challenge, implementation of any capacity development initiative will require collaborative partnerships between public and private sector stakeholders, and the international donor community.

Public procurement is a core function of public financial management and service delivery. There are numerous pieces of legislation, regulations and case law that have a direct impact on public procurement in South Africa. Public sector procurement is guided by the provisions of the Constitution and subsequent enabling legislation, regulations, policies, frameworks, guidelines and practice notes; and the constitutional principles of co-operative governance and intergovernmental relations.

Given the enormous demand for public services and the limited resources available to satisfy that demand, National Treasury has to ensure that all available resources are used as effectively and efficiently as possible. Public sector organisations worldwide are under increasing pressure to deliver and demonstrate success in terms of both service delivery and organisational performance. State institutions must ensure that their employees have the necessary knowledge, skills, attitudes and behaviours required to undertake their duties competently. Training is an important resource in any organisation. Implemented in the most effective way, it can assist in overcoming work-based

problems and help to provide a more skilled and productive workforce, as well as assisting the organisation to achieve its objectives.

The third National Skills Development Strategy (NSDS III) recognises that the capacity of the public sector lags far behind what is expected of it, and in many areas critical to the nation's needs, there are serious skills gaps. To achieve the goals of a developmental state requires a public service that is skilled and capable to deliver quality services efficiently. Learnerships are a key element of the NDS III and aim to ensure the provision of skills to employed as well as unemployed or unskilled individuals.

Learnerships were conceived in the Skills Development Act, 1998 (Act 97 of 1998) and are governed by a variety of subsequent regulations, as well as by policies and procedures of the various Sector Education and Training Authorities (SETAs). Learnerships offer meaningful education and training interventions to the widest range of learners, thus addressing the pressing needs of employers, learners and the socioeconomic needs of South Africa in general. Specific learnerships are generated out of specific skills needs or shortages in all economic sectors.

A learnership is a vocational education and training programme that combines structured workplace learning (practical work experience) and structured institutional learning (theory) governed by a contract between the employer, an accredited training provider and the learner. At the end of the programme the learnership will culminate in a nationally recognised qualification registered on the National Qualifications Framework (NQF). A person who successfully completes a learnership will be able to demonstrate the practical application of competencies (knowledge, skills, values and attitudes) in an employment context.

This Terms of Reference seeks to solicit the services of accredited, experienced and competent training providers to manage and deliver the Public Sector SCM Learnership Pilot Programme in the identified Provinces of South Africa. The learnership is based on an accredited unit standard-based qualification termed the National Certificate: Supply Chain Management (SAQA Qual. ID: 74149), which consists of 150 credits at NQF Level 05 on the South African National Qualification Framework.

This is an important step in a phased approach to provide SCM practitioners and managers with a comprehensive compendium of education, training and development (ETD) solutions that would improve their ability to implement the revised Preferential Procurement Regulations with greater consistency, efficiency and effectiveness.

It is important to note that this initiative is in compliance with National Treasury's comprehensive Capacity Development Strategy (CDS) for Public Financial Management, which provides a national perspective to address financial management capacity constraints in the public sector. These challenges include scarce skills; high levels of vacancies and staff turnover; a lack of suitable education, training and development programmes; limited knowledge management; inadequate monitoring and evaluation; ineffective performance management; non-adherence to legislation; poor audit results; and an absence of effective partnerships. Donor funding is essentially geared towards the implementation of the Capacity Building Strategy (CDS), and it is through the Transport Education and Training Authority TETA Discretionary Grant Learnerships and funding mechanism that National Treasury is launching this Terms of Reference.

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

Learnerships are at the centre of human capital development and ensuring the Public Sector has a sufficient cadre of qualified SCM practitioners and officials. There have been concerted efforts to improve service delivery in the public sector and there is a high premium placed on developing the

capacity of public servants, amongst others, human capital development is innovative and contributes to raising service standards.

A key objective of the learnership programme is to make a contribution to the development and empowerment of a corps of competent and committed high-performance employees.

2.2. Purpose

The purpose of the Higher Certificate: Supply Chain Management qualification is to provide learners with the competencies required to engage in the processes and inter-relationships across the supply chain so as to create sustainable value for organisations. The Learnerships Programme has been developed to ensure that public officials have the requisite knowledge, skills and values to deliver government programmes on time and within budget in a cost-effective and efficient manner. The accredited programme will assist SCM officials to understand and apply the processes, principles and practices of supply chain management comprehensively. The learnership is targeted at SCM officials in all spheres of government. The purpose of the SCM Learnership is to equip SCM officials and other role players to build the capacity of public service SCM officials in executing SCM processes in line with the current legislation.

The purpose of this assignment is to manage and deliver the Public Sector SCM Learnership Pilot Programme in the identified Provinces of South Africa. The learnership is based on an accredited unit standard-based qualification, that is, National Certificate: Supply Chain Management (SAQA Qual. ID: 74149), which consists of 150 credits at NQF Level 5 on the National Qualification Framework.

2.3. Strategic Focus of the programme against the PFM Capacity Development Strategy

This programme is also aligned to the following Capacity Development Strategy objectives:

- Enhance organisational capacity; and
- Develop and empower a corps of competent and committed high-performance employees.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the programme intervention

There are few assumptions that have been considered to ensure the success of this programme:

- The learnership programme and its implementation guidelines are accepted and institutionalised by identified pilot government institutions; and
- Sound cooperation is secured from all participating stakeholders.

3.2. Risks

A number of key risks will have to be managed during the planning and implementation of this programme:

- Constant support and buy-in from key stakeholders (learners and their respective employer organisations);
- The ability of the service providers to ensure integrated learning within a complex public sector and SCM environment;
- The learner and employer organisational commitment to the learning process;

- Changing priorities with employer organisations that can impact on the programme delivery;
- Movement of staff to other employer organisations and provinces.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Programme Description

The learnership is based on an accredited unit standard-based qualification, that is, National Certificate: Supply Chain Management (SAQA Qual. ID: 74149), which consists of 150 credits at NQF Level 5. The unit standards are divided into core, fundamental and elective components.

The core and fundamental components consist of unit standards totalling 104 credits, all of which are compulsory. The elective component consists of a number of unit standards totalling 46 credits. The elective components for the public sector consist of two streams: “Purchasing and Supply for the Public Sector”; and “Logistics Management and Distribution for the Public Sector”.

The core, fundamental and elective components are outlined below:

Core Components:

Unit Standard	Title	Pre-2009 NQF Level	Credits
336702	Analyse and apply management practices within the supply chain	5	10
336710	Develop and implement supply chain performance management systems	5	10
336708	Facilitate processes to ensure the integration of supply chain information	5	8
336719	Manage relationships between supply chain partners	5	10
252025	Monitor, assess and manage risk	5	8
336711	Demonstrate an understanding of the key elements in developing strategies to optimise operational supply	6	8
336706	Establish a competitive supply chain infrastructure	6	10
336712	Outline the philosophy of Supply Chain Management	6	6
Total credits			70

Fundamental Components:

Unit Standard	Title	Pre-2009 NQF Level	Credits
335800	Apply professional values and ethics in the operational environment	5	4
336713	Demonstrate an understanding of the supply chain environment	5	10
336709	Evaluate the influences of key components in a supply chain	5	8
252267	Negotiate with suppliers	5	12
Total credits			34

Elective Components:

The elective components for the public sector consist of two streams:

- Stream 1: Purchasing and Supply for the Public Sector
- Stream 2: Logistics Management and Distribution for the Public Sector

Stream 1: Purchasing and Supply for the Public Sector

Unit Standard	Title	Pre-2009 NQF Level	Credits
119345	Apply principles, regulations and legislation underlying supply chain management in the public sector	5	15
336707	Demonstrate an understanding of the key issues important for compliance with corporate governance principles and social responsibility	5	6
377901	Perform demand management activities for public sector supply chain management	5	7
377898	Perform acquisition management activities for public sector supply chain management	5	11
377896	Administer contracts for goods, works and services in the public sector	5	5
242857	Demonstrate and apply knowledge of the ethical standards in the public sector	4	4
Total credits			48

Stream 2: Logistics Management and Distribution for the Public Sector

Unit Standard	Title	Pre-2009 NQF Level	Credits
119345	Apply principles, regulations and legislation underlying supply chain management in the public sector	5	15
113835	Manage logistics operations	4	12
336703	Design a distribution network	6	5
336742	Develop and implement optimal inventory strategies	6	8
123192	Manage the return of goods	6	2
246750	Control and order stock	4	6
Total credits			48

Formative and summative assessments will be required of each learner and included in their respective 'Portfolio of Evidence'. Learners will be required to present a fully completed Portfolio of Evidence (PoE) within 30 days of the contact session with guidance from the facilitator / assessor on the type of evidence to include in the PoE. The PoE will be assessed in accordance with the principles of assessment as guided by Education and Training Quality Assurance (ETQA) regulations. The relevant SETA will conduct the verification on provider processes of Quality Assurance of Learner Achievement (QALA) and an endorsement and certificates of competence will be issued. The same learner results will be uploaded on the National Learner Record Database.

4.1.2. Geographical area to be covered

It is envisaged that the scope of coverage would include six (6) provinces, namely, Mpumalanga, Limpopo, Gauteng, Northern Cape, Free State and North West. The service provider contracted to manage and deliver the learnership must therefore have the requisite capacity and capability to

deliver the learnership in the identified provinces and be prepared to travel extensively throughout the country.

4.1.3. Target groups

Participants in the learnership programme will consist of both employed and unemployed learners in the identified provinces. There will be 259 employed learners and 30 unemployed learners in the pilot programme and the total number of learners will be 289.

4.2. Specific Work

The service provider is expected to undertake the following activities:

a) Facilitation and Assessment

The service provider must:

- i. Conduct pre-assessment of learners before the final selection of the learners;
- ii. Ensure that the learners meet the minimum pre-entry requirements of the learning programme as stipulated by SAQA;
- iii. Facilitate the structured learning component of the Learnership;
- iv. Provide models on integrated assessment;
- v. Provide learner support to ensure learners attain the required number of credits within the expected time frames;
- vi. Identify learners with special educational and training needs and develop mechanisms to address those;
- vii. Monitor and Evaluate internal moderation processes;
- viii. Ensure that external moderation of the assessment results is timeously applied for to TETA, and is concluded;
- ix. Ensure that final ETQA issued Certificates for the qualifications awarded by the TETA are issued and arrange the graduation ceremony;

b) Administration of the Learnership

The service provider must:

- i. Be a signatory to the Learnership Agreements and ensure registration of the Learnership Agreements with the relevant SETA;
- ii. Provide evidence of Learnership Agreement Registration to TETA;
- iii. Upload Learners for registration and learner achievements to the TETA MIS;
- iv. Establish and maintain the learner and employer database;
- v. Comply with training provider responsibilities as per learnership agreement;
- vi. Monitor learner progress, manage problems related to provisioning, and refer learnership agreement related matters to the TETA through the National Treasury programme manager;
- vii. Submit quarterly reports and a final report, including lessons learned and recommendations to the TETA through the National Treasury;
- viii. Assist with the completion and collection of the learner time sheets for the payment of the learner allowances for unemployed learners;
- ix. Apply for verification on a six [6] monthly basis;
- x. Conduct a baseline study for the learnership;
- xi. Co-ordinate and administer a learner recruitment and selection process in the respective Provinces and targeted employer organisations in partnership with the National Treasury;
- xii. Conduct assessment of the prospective candidates in respect of current “competence” and “potential”;
- xiii. Conduct an induction/orientation programme for the successful candidate learners;
- xiv. Conduct an induction/orientation programme for the learners’ supervisors and mentors;
- xv. Conduct programme management of the delivery of the learnership by ensuring facilitation and training delivery, as well as workplace experience and mentorship.

c) Planning and Support

The service provider must:

- i. Present interim and quarterly progress reports to programme leaders;
- ii. Develop rollout plans with time frames for the structured learning and workplace training;
- iii. Conduct at least four site visits per learner at the workplace per year to support the workplace learning [one per quarter];
- iv. Facilitate quarterly meetings with employers;
- v. Attend all funder stakeholder meetings;
- vi. Arrange and manage the task team meeting for the programme.

d) Rights and Responsibilities of the Service Provider

The rights of the service provider include:

- i. Access to the learners for theoretical training and assessment;
- ii. Access to the learner's books, learning material and to the workplace if required;
- iii. May negotiate release of learners from the employer for training delivery, coaching, mentoring and assessment;
- iv. May apply for termination of a particular learnership agreement due to non-compliance, poor performance, or bad behaviour on the part of the learner or employer.

The responsibilities of the service provider are to:

- i. Enter into learnership agreements;
- ii. Be currently accredited with TETA ETQA for all relevant unit standards contained in the qualification (SAQA ID: 74149) for the learnership, including the elective unit standards as contained in the registered streams 1 & 2;
- iii. Use TETA approved outcomes-based course material;
- iv. Ensure that assessors and moderators are currently registered with the TETA ETQA for the programme;
- v. Establish systems to maintain learners' records;
- vi. Establish and implement a quality management system (QMS) as per TETA requirements;
- vii. Select in-house programme management team;
- viii. Manage learning resources, including facilitators, facilities and equipment;
- ix. Facilitate the delivery of training course sessions;
 - x. Arrange the venue, catering and logistics;
 - xi. Print the required learner course materials and/or provide access to learners on e-learning platform where required;
- xii. Provide learners with resource packs;
- xiii. Provide qualified facilitators for all the unit standards;
- xiv. Arrange the necessary travel, accommodation and subsistence for the facilitators;
- xv. Ensure that theoretical learning is linked to workplace experience;
- xvi. Ensure that learners are involved in the workplace component and rotate between jobs as required by keeping a duly signed learner logbook (per learner);
- xvii. Record, monitor and retain details of training provided to the learners;
- xviii. Provide reports to the employer on the learner's performance;
- xix. Perform the required formative and summative assessment of the learners as required by TETA;
- xx. Provide support to the learners post the contact session to complete their 'portfolio of evidence';
- xxi. Submit the learner assessment results to the TETA ETQA and ensure timeous external moderation of all assessments are conducted for the final certification of successful learners by the TETA ETQA.

The most important features of the delivery mechanism selected will be that they suit the needs of the specific employer organisation and that it does not negatively affect service delivery. This means that for each province, the delivery mechanism will be discussed and finalised prior to initiation.

The following key components are required for effective delivery of the qualifications:

- a) The provision of training will take place at a venue central to and conducive for the learners;
- b) Classes will consist of a manageable number of learners;
- c) Classes can be arranged as per the requirements of the participating employer organisation, but certain pedagogical requirements need to be met in terms of the time between units (for the learner to assimilate and practice their learning) and that certain units require a maximum of three to five days in a row to ensure the most effective learning;
- d) The course constitutes 150 credits and therefore requires 1500 notional hours. As a rule, between 60% and 70% must be contact. At 60% this equals 900 hours, which equals 112 days. The balance of 600 notional hours will need to be allocated to formative and summative related learning. It is anticipated that the qualification will take 18 months to deliver, including 3 months' pre-delivery, delivery of contact sessions totalling 12 months, and 3 months post-delivery.

The training provider must be accredited by the relevant ETQA to offer the full qualification tendered for. The training provider must also have experience in delivering training in the provincial and/or local spheres of government through relevant ETQA. If accredited by another ETQA, the training provider shall apply for the extension of scope and have materials evaluated and approved by the relevant ETQA for the delivery of the full qualification.

4.3. Programme Management

4.3.1. Responsible Body

- a) The Contracting Authority will be the National Treasury, Republic of South Africa through the Office of the Accountant-General (OAG).
- b) National Treasury reserves the right to appoint more than one provider.

4.3.2. Management Structure

The programme oversight will be managed by the Programme Coordinating Team located in the Capacity Building Chief Directorate within the Office of the Accountant-General (OAG) of the National Treasury.

4.3.3. Facilities to be provided by the Contracting Authority and/or other parties

It is not expected for the key SCM experts to be based at National Treasury as the training sessions will occur outside the premises of the National Treasury.

5. LOGISTICS AND TIMING

5.1. Location (Venues)

The intervention will take place in the six (6) identified provinces and the venues will be concluded with the contracted training providers. The provinces will be grouped as follows:

Group	Provinces	Unemployed Learners	Employed Learners
1	Limpopo	30	N/A
2	North West	N/A	59
3	Gauteng	N/A	50
4	Mpumalanga	N/A	50
5	Free State	N/A	50
6	Northern Cape	N/A	50

5.2. Period of implementation

The period of implementation of the contract will be 18 months from the start date. Please see the Special Conditions of Contract and Service Level Agreement for the actual start date and period of implementation. The final work schedule will be agreed with the contracted service provider during the inception phase. This will include a detailed programme plan with clearly defined deliverables, quality indicators and dates.

6. REQUIREMENTS

6.1. Prequalification Criteria

- a) The Bidders will be prequalified on the basis of being an EME or QSE which is at least 51% black owned. Bidders will also be prequalified on the basis of attaining a B-BBEE status level of contributor 1 or 2 and they must subcontract a minimum of 30% to an EME or QSE which is at least 51% black owned to be eligible for further evaluation in terms of Regulation 4.(1) of the Preferential Procurement Regulations 2017.
- b) Bidders will be prequalified on the basis of the pre-qualification criterion stipulated in 6.1 (a) above.
- c) Bidders who do not meet the pre-qualification criterion stipulated in 6.1 (a) above will be disqualified from further evaluation.
- d) Bidders who meet the pre-qualification criterion stipulated in 6.1 (a) above will be evaluated further in terms of any evaluation criteria stipulated in the tender including any functionality and preference point system in terms of regulation 6 and 7 of the Preferential Procurement Regulations, 2017.

6.2. Specific Requirements

- a) Bidders should indicate which province(s) they are bidding for.
- b) Bidders should submit different bids for each province they are bidding for, up to a maximum of two (2) provinces.
- c) Bidders should submit a separate technical and financial proposal for each province.
- d) Bidders should provide separate implementation plans for employed and unemployed learners which should be appropriately labelled.

6.3. Staff

Note that successful implementation of the assignment requires that the following staff of the service provider be in place for the duration of the assignment:

6.3.1. Key experts

Key experts have a crucial role in implementing the contract. These terms of reference contain the required key experts' profiles. The bidder shall submit CVs and Statements of Exclusivity and Availability for the following key experts:

Key expert 1: Team Leader

Qualifications and skills

- The Team Leader should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial

Management and/or Accounting and/or Business Administration or a field equivalent to this assignment.

Professional experience

- The Team Leader should preferably have 10 years' general working experience in public sector training.
- The Team Leader should preferably have 5 years' working experience in project management

Key experts 2 and 3: SCM Trainers

Qualifications and skills

- Each of the key experts should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment.

Professional experience

- Each of the experts should preferably have 5 years' working experience in public sector training relevant to the project.

All experts must be independent and free from conflicts of interest in the responsibilities they take on.

6.4. Programme Funds

No lump sums are foreseen in this contract. Programme funds will be payable in tranches on successful achievement of milestones as specified in the Special Conditions of Contract and/or Service Level Agreement.

7. SUBMISSION OF PROPOSALS

- a. Bidders may not submit bids for more than two provinces.
- b. Bidders are requested to submit a proposal that details:
 - A technical proposal including a description of the envisaged approach and methodology as well as clear details of the experience of the service provider in the management and delivery of supply chain management (SCM) education, training and development (ETD) programmes in the public sector and experience of the service provider in the management and delivery of learnership;
 - A financial proposal with the proposed budget;
 - A comprehensive CV/profile of the Key expert 1: Team Leader;
 - Certified copies of Qualifications of the Key expert 1: Team Leader;
 - A comprehensive CV/profile of each of the Key experts 2 and 3: SCM Trainers;
 - Certified copies of Qualifications of each of the Key experts 2 and 3: SCM Trainers;
 - Certified copies of company accreditation or programme approval status with a SETA, particularly TETA;

8. EVALUATION OF PROPOSALS

National Treasury will evaluate proposals for each of the provinces separately. The proposals will be evaluated in three phases. In the first phase, the proposals will be evaluated for administrative compliance only. In the second phase, the proposals will be evaluated on functionality only. In the third phase, the proposals will be evaluated on in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Preferential Procurement Regulations, 2017 based on the 80/20 preference points system.

No service provider may be appointed for more than two (2) provinces. National Treasury reserves the right not to appoint any service provider.

8.1 Evaluation Phase 1: Administrative Compliance

8.1.1 A bid is regarded as “acceptable” if: -

- a) The service provider’s bid proposal complies in all respects with the terms of reference and conditions of the bid;
- b) The information registered on the Central Supplier Database (CSD) is consistent with the information supplied in the service provider’s bid proposal;
- c) The service provider’s bid proposal adheres to the stipulated pre-qualification criteria;
- d) The bidder is tax compliant;
- e) The bidder completed and signed all the prescribed Standard Bidding Documents (SBD forms) to enable effective and efficient evaluation of the submitted bid;
- f) The bidder’s name, including the name of any member/partner or sub-contractor, does not appear on the list of restricted bidders/persons or in the Register for Tender Defaulters;
- g) If a joint venture, trust, or consortium submitted a bid, the written agreement between the parties is submitted as part of the bid proposal;
- h) If a principal bidder appoints a sub-contractor as part of its bid, the written agreement between the two parties is submitted as part of the bid proposal;
- i) The bidder submitted proof that it is accredited by the relevant ETQA body to offer the full qualification tendered for; and
- j) The service provider’s bid proposal is otherwise generally in order.

8.2 Evaluation Phase 2: Evaluation on Functionality:

The service provider commissioned for this work will be assessed for functionality using the following criteria:

No.	Functionality Evaluation Criteria	Weighting	Ratings
1	<p>Recognised Qualifications of the Key Expert 1: Team Leader:</p> <ul style="list-style-type: none"> • The Team Leader should preferably have a recognised Bachelor’s degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment. 	10	<p>5 – Doctorate/Master’s</p> <p>4 – PGD/Honours degree</p> <p>3 – Bachelor’s degree</p> <p>2 –National Diploma</p> <p>1 – National Certificate</p>

2	<p>Professional Experience of the Key Expert 1: Team Leader:</p> <ul style="list-style-type: none"> The Team Leader should preferably have 10 years' working experience in public sector Training. 	15	<p>5 – More than 15 years</p> <p>4 – 13 to 15 years</p> <p>3 – 10 to 12 years</p> <p>2 – 5 to 9 years</p> <p>1 – Less than 5 years</p>
3	<ul style="list-style-type: none"> The Team Leader should preferably have 5 years' working experience in project management. 	5	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
4	<p>Recognised Qualifications of the Key Expert 2: SCM Trainer:</p> <ul style="list-style-type: none"> The SCM Trainer should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment. 	10	<p>5 – Doctorate/Master's</p> <p>4 – PGD/Honours degree</p> <p>3 – Bachelor's degree</p> <p>2 – National Diploma</p> <p>1 – National Certificate</p>
5	<p>Professional Experience of the Key Expert 2: SCM Trainer:</p> <ul style="list-style-type: none"> The SCM Trainer should preferably have 5 years' working experience in public sector training relevant to the project. 	10	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
6	<p>Recognised Qualifications of the Key Expert 3: SCM Trainer:</p> <ul style="list-style-type: none"> The SCM Trainer should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment. 	10	<p>5 – Doctorate/Master's</p> <p>4 – PGD/Honours degree</p> <p>3 – Bachelor's degree</p> <p>2 – National Diploma</p> <p>1 – National Certificate</p>

7	<p>Professional Experience of the Key Expert 3: SCM Trainer:</p> <ul style="list-style-type: none"> The SCM Trainer should preferably have 5 years' working experience in public sector training relevant to the project. 	10	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
8	<p>Previous experience of the service provider in the management and delivery of supply chain management (SCM) education, training and development programmes in the public sector</p>	10	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
10	<p>Previous experience of the service provider in the management and delivery of learnerships</p>	10	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
11	<p>Approach and Methodology:</p> <ul style="list-style-type: none"> Rationale – Any comments regarding the objectives and expected results, thus demonstrating the degree of understanding of the contract. An explanation of the risks and assumptions affecting the execution of the contract. Strategy – An outline of the key activities for project implementation. Inputs and outputs. The identification and timing of major milestones in executing the contract. Support Staff & Backstopping – A description of the support staff and facilities that the contractor will provide to the team of experts during execution of the contract. Proposed Work Schedule – The timing, sequence and duration of the proposed tasks. The expected number of working days required from each category of expert each month during 	10	<p>5 – Excellent</p> <p>4 – Very good</p> <p>3 – Good</p> <p>2 – Average</p> <p>1 – Poor</p>

	the period of execution of the contract.		
Total:		100	
Threshold		60%	

The percentage for functionality will be calculated as follows:

$\frac{A}{B} \times 100$

B

Where A = Total score of the bidder

B = Maximum score (i.e. 500)

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

Value	Description
5 – Excellent	Meets and exceeds the functionality requirements
4 – Very good	Above average compliance to the requirements
3 – Good	Satisfactory, should be adequate for stated element
2 – Average	Below average compliance to the requirements
1 – Poor	Unacceptable, does not meet set criteria

A bid will be disqualified if it fails to meet the minimum threshold of 60% for functionality.

8.3 Evaluation Phase 3: Calculation of points for price and B-BBEE status level of contribution

A bidder that scores 60% or more for functionality will be evaluated further in terms of the 80/20 preference points system, where 80 points will be for price only, and 20 points will be for BBEE status level of contribution.

The bidder must be accredited or programme approved by the relevant ETQA body, to offer the full qualification tendered for. A bidder will be disqualified if it does not submit proof that it is accredited by the relevant ETQA body to offer the full qualification tendered for.

9. REPORTS

9.1. Reporting Requirements

An Inception Report should be submitted within seven (7) working days after the Inception Meeting. Interim reports and quarterly progress reports should be submitted in a prescribed format on work undertaken. The close out report should follow the prescripts contained in the inception report. All outputs should be drafted in English, and prepared with MS Office software.

Each report must consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, incidental expenditure and expenditure verification.

Reports shall be presented to National Treasury: Office of the Accountant-General, Chief Directorate: Capacity Building- Education, Training and Development directorate.

To summarise, in addition to any documents, reports and output specified under the duties and responsibilities of each key expert above, the Contractor shall provide the following reports:

Name of report	Content	Time of submission
Inception Report	Analysis of existing situation and work plan for the programme	No later than seven (7) working days after the Inception Meeting
Interim Reports	The service provider must provide a full report of all learning after each course. For practical purposes, a weekly update should be provided to National Treasury via email by the contracted training provider with documentary progress made every month end until the programme is concluded.	No later than 2 weeks after each training course, and no later than 2 weeks after the end of the month for monthly reports.
3-month Progress Report	Short description of progress (technical and financial) including problems encountered; planned work for the next 3 months accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 3-month implementation period.
Draft Final Report	Short description of achievements including problems encountered and recommendations.	No later than 1 month before the end of the implementation period.
Final Report	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the Programme Manager identified in the contract.

9.2. Submission & approval of reports

Two (2) copies of the reports referred to above must be submitted to the Programme Manager identified in the contract. The reports must be written in English. The Programme Manager is responsible for approving the reports. The Chief Director: Capacity Building is responsible for approving the reports.

10. MONITORING AND EVALUATION

10.1. Definition of indicators

The Programme Monitoring and Evaluation indicators for the whole assignment and the means of verification, etc. will be defined in the Inception Report and in conjunction with the National Treasury: OAG. Overall programme level monitoring is the responsibility of the Programme Coordinating Team in the Office of the Accountant-General within the National Treasury.



Special Conditions of Contract

NT016-2018:

**APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE NATIONAL CERTIFICATE:
SUPPLY CHAIN MANAGEMENT (SAQA QUAL ID: 74149) AS A LEARNERSHIP PILOT
PROGRAMME FOR THE PUBLIC SECTOR IN VARIOUS PROVINCES OF SOUTH AFRICA FOR
A PERIOD OF EIGHTEEN 18 MONTHS.**

CLOSING DATE: 8 February 2019 AT 11:00AM

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 LEGISLATIVE AND REGULATORY FRAMEWORK

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 takes precedence.

1. EVALUATION PROCESS AND CRITERIA

1.1. All bids will be evaluated in terms of functionality and preference point system which comprises of the following:

1.1.1 Phase I: Initial screening process

In terms of National Treasury Instruction No. 4A of 2016/2017 regarding the National Central Supplier Database (CSD), all bidders must register on the CSD to provide the following information to be verified through the CSD:

- a) Business registration, including details of directorship and membership;
- b) Bank Account holder information;
- c) In the service of the State status;
- d) Tax compliance status;
- e) Identity number;
- f) Tender default and restriction status; and
- g) Any additional and supplementary verification information communicated by National Treasury.

1.1.2 Phase II Prequalification Criteria

Bidders will be prequalified on the basis of being an EME or QSE which is at least 51% black owned. Bidders will also be prequalified on the basis of attaining a B-BBEE status level of contributor 1 or 2 and they must subcontract a minimum of 30% to an EME or QSE which is at least 51% black owned to be eligible for further evaluation in terms of Regulation 4.(1) of the Preferential Procurement Regulations 2017.

1.1.3 Phase II: Functionality evaluation as per attached Terms of Reference

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference.
- b) Bidders must, as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.

- c) Bidders will not rate themselves, but need to ensure that all information is supplied as required. The Bid Evaluation Committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.
- d) The panel members will individually evaluate the responses received against the following criteria as set out below:

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

All bidders are required to submit a minimum of one (1) CV's or a maximum of two (2) CVs of the proposed candidates per position (Team Leader, and 2 SCM trainers). Bidders submitting more than two (2) per position CV's will not be considered.

No.	Functionality Evaluation Criteria	Weighting	Ratings
1	<p>Recognised Qualifications of the Key Expert 1: Team Leader:</p> <ul style="list-style-type: none"> The Team Leader should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment. 	10	<p>5 – Doctorate/Master's degree</p> <p>4 – PGD/Honours degree</p> <p>3 – Bachelor's degree</p> <p>2 – National Diploma</p> <p>1 – National Certificate</p>
2	<p>Professional Experience of the Key Expert 1: Team Leader:</p> <ul style="list-style-type: none"> The Team Leader should preferably have 10 years' working experience in public sector Training. 	15	<p>5 – More than 15 years</p> <p>4 – 13 to 15 years</p> <p>3 – 10 to 12 years</p> <p>2 – 5 to 9 years</p> <p>1 – Less than 5 years</p>
3	<ul style="list-style-type: none"> The Team Leader should preferably have 5 years' working experience in project management. 	5	<p>5 – More than 10 years</p> <p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
4	<p>Recognised Qualifications of the Key Expert 2: SCM Trainer:</p> <ul style="list-style-type: none"> The SCM Trainer should preferably have a recognised Bachelor's degree qualification in Supply 	10	<p>5 – Doctorate/Master's degree</p> <p>4 – PGD/Honours degree</p>

	Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment.		3 – Bachelor's degree 2 – National Diploma 1 – National Certificate
5	Professional Experience of the Key Expert 2: SCM Trainer: <ul style="list-style-type: none"> The SCM Trainer should preferably have 5 years' working experience in public sector training relevant to the project. 	10	5 – More than 10 years 4 – 8 to 10 years 3 – 5 to 7 years 2 – 2 to 4 years 1 – Less than 2 years
6	Recognised Qualifications of the Key Expert 3: SCM Trainer: <ul style="list-style-type: none"> The SCM Trainer should preferably have a recognised Bachelor's degree qualification in Supply Chain Management and/or Public Financial Management and/or Financial Management and/or Accounting and/or Business Administration or a field equivalent to this assignment. 	10	5 – Doctorate/Master's degree 4 – PGD/Honours degree 3 – Bachelor's degree 2 – National Diploma 1 – National Certificate
7	Professional Experience of the Key Expert 3: SCM Trainer: <ul style="list-style-type: none"> The SCM Trainer should preferably have 5 years' working experience in public sector training relevant to the project. 	10	5 – More than 10 years 4 – 8 to 10 years 3 – 5 to 7 years 2 – 2 to 4 years 1 – Less than 2 years
8	Previous experience of the service provider in the management and delivery of supply chain management (SCM) education, training and development programmes in the public sector	10	5 – More than 10 years 4 – 8 to 10 years 3 – 5 to 7 years 2 – 2 to 4 years 1 – Less than 2 years
10	Previous experience of the service provider in the management and delivery of learnerships	10	5 – More than 10 years

			<p>4 – 8 to 10 years</p> <p>3 – 5 to 7 years</p> <p>2 – 2 to 4 years</p> <p>1 – Less than 2 years</p>
11	<p>Approach and Methodology:</p> <ul style="list-style-type: none"> • Rationale – Any comments regarding the objectives and expected results, thus demonstrating the degree of understanding of the contract. An explanation of the risks and assumptions affecting the execution of the contract. • Strategy – An outline of the key activities for project implementation. Inputs and outputs. The identification and timing of major milestones in executing the contract. • Support Staff & Backstopping – A description of the support staff and facilities that the contractor will provide to the team of experts during execution of the contract. • Proposed Work Schedule – The timing, sequence and duration of the proposed tasks. The expected number of working days required from each category of expert each month during the period of execution of the contract. 	10	<p>5 – Excellent</p> <p>4 – Very good</p> <p>3 – Good</p> <p>2 – Average</p> <p>1 – Poor</p>
Total:		100	
Threshold		60%	

- e) Any proposal not meeting a minimum score of 60% functionality proposal will be disqualified and the financial proposal will remain unopened.
- f) 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.
- g) This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 60% for functionality will be evaluated and scored in terms of pricing and socio economic goals as indicated hereunder.

1.1.4 Phase III: Price/Financial stage and B-BBEE

Price/ Financial proposals must be submitted in South African Rand.
 NT reserves the right to negotiate rates submitted by bidders.

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 80/20-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 80 points)
 - Broad-based black Economic Empowerment as well as specific goals (maximum 20 points)
- b. The following formula will be used to calculate the points for price in respect of bidders with a Rand value up to R50 000 000 :

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

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 20 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 3.1.

- c. The State reserves the right to arrange contracts with more than one contractor.

2.1 POINTS

The Preferential Procurement Regulations 2017 were gazetted on 20 January 2017 (No. 40553) with effect from 1 April 2017. These regulations require bidders provide relevant proof of their B-BBEE Status Level, the 80/20 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 (80/20 system)
1	20
2	18
3	14

4	12
5	8
6	6
7	4
8	2
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.

- d. The points scored by a bidder in respect of points indicated above will be added to the points scored for price.
- e. Bidders are requested to complete the various preference claim forms in order to claim preference points.
- f. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for B-BBEE status.
- g. National Treasury may, before a bid is adjudicated or at any time, require a bidder to substantiate claims made with regard to their B-BBEE status.
- h. Points scored will be rounded off to the nearest 2 decimals.
- i. 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.
- j. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

k. Joint Ventures, Consortiums and Trusts

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.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, if 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.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. National Treasury will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, with the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

I. Sub-contracting pre and post award

Bidders/ tenderers who want to claim Preference points will have to fully comply with regulation 5 and 12(3) of the Preferential Procurement Regulations 2017 with regard to sub-contracting which states that:

- “(5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has capability to execute the subcontract.
- 12 (3) A person awarded a contract may not subcontract 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 of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

3. MANDATORY REQUIREMENTS

- 3.1 Proof of Registration summary report from Central Supplier Database.
- 3.2 The service provider must at least provide valid certification of two (2) registered constituent assessors and one (1) constituent moderator, in relation to the specified unit standards/qualification. Failure to provide the required certification will result into a bid being disqualified.
- 3.3 Bidders may not submit bids for more than two provinces. Failure to comply with requirement will result into a bid being disqualified.
- 3.4 Service provider must submit a comprehensive CV/profile and certified copies of Qualifications of the Key experts (Team Leader, and 2 SCM trainers)
- 3.5 Certified copy of valid company accreditation or programme approval status with a SETA, particularly TETA;
- 3.6 All bidders are required to submit a minimum of one (1) CV's or a maximum of two (2) CVs of the proposed candidates per position (Team Leader, and 2 SCM trainers). Bidders submitting more than two (2) per position CV's will not be considered.

FAILURE TO ADHERE TO THE CONDITION MAY LEAD TO THE BID BEING INVALIDATED.

4. TAX COMPLIANCE STATUS

Bids received with a non-compliant tax status will be disqualified with failure to update the Tax Status within 7 days.

5. VALUE ADDED TAX

All bid prices must be inclusive of 15% Value-Added Tax where applicable.

5. CLIENT BASE

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

6. LEGAL IMPLICATIONS

Successful service providers will enter into a service level agreement with National Treasury

7. COMMUNICATION

National Treasury may 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.

8. LATE BIDS

Bids received at the address indicated in the bid documents, after the closing date and time will not be accepted for consideration and where applicable, be returned unopened to the bidder.

9. COUNTER CONDITIONS

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

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, 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 NON-COMPULSORY BRIEFING SESSION:

Date: 25 January 2019

Time: 11:00 am - 12:00 pm

Venue: Department of National Treasury

Boardroom 103, 240 Madiba Street

Cnr. Thabo Sehume- and Madiba - Streets, Pretoria

13. TIMEFRAMES AND FORMAL CONTRACT

Successful bidder(s) will 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:

14.1 FUNCTIONALITY/TECHNICAL PROPOSAL

Bid No: NT016-2018

Description: APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE NATIONAL CERTIFICATE: SUPPLY CHAIN MANAGEMENT (SAQA QUAL ID: 74149) AS A LEARNERSHIP PILOT PROGRAMME FOR THE PUBLIC SECTOR IN VARIOUS PROVINCES OF SOUTH AFRICA FOR A PERIOD OF EIGHTEEN 18 MONTHS.

Bid closing date and time: 08 February 2019 AT 11H00am

Name and address of the bidder:

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

14.2 PRICE/ FINANCIAL PROPOSAL

Bid No: NT016-2018

Description: APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE NATIONAL CERTIFICATE: SUPPLY CHAIN MANAGEMENT (SAQA QUAL ID: 74149) AS A LEARNERSHIP PILOT PROGRAMME FOR THE PUBLIC SECTOR IN VARIOUS PROVINCES OF SOUTH AFRICA FOR A PERIOD OF EIGHTEEN 18 MONTHS.

Bid closing date and time: 08 February 2019 AT 11H00am

Name and address of the bidder:

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

The Technical Proposal envelope must contain one original hard copy document, clearly marked "Original", and four (4) hardcopies, clearly marked "Copy".

15 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: Thivhileli Matshinyatsimbi / Sithembile Skosana

E-mail : sithembile.skosana@treasury.gov.za / thivhileli.matshinyatsimbi@treasury.gov.za

For Technical enquiries:

Contact: Daniel Mokoena/Gershon Sibinda

Email: Daniel.Mokoena@treasury.gov.za/ Gershon.Sibinda@treasury.gov.za

PRICING SCHEDULE
(Professional Services)

SBD 3.3

NAME OF BIDDER: **BID NO: NT016-2018**

CLOSING TIME 11:00 ON 08 February 2019

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF VALUE ADDED TAX
---------	-------------	--

APPOINTMENT OF SERVICE PROVIDER(S) TO DELIVER THE NATIONAL CERTIFICATE: SUPPLY CHAIN MANAGEMENT (SAQA QUAL ID: 74149) AS A LEARNERSHIP PILOT PROGRAMME FOR THE PUBLIC SECTOR IN VARIOUS PROVINCES OF SOUTH AFRICA FOR A PERIOD OF EIGHTEEN 18 MONTHS.

1. Services must be quoted in accordance with the attached terms of reference and the attached Annexure A

Total cost of the assignment (R inclusive VAT) R.....

NB: Bidders are also advised to indicate a total cost breakdown for this assignment. (Annexure A)

The financial proposal for this assignment should cover for all assignment activities and outputs enumerated above.

2. Period required for commencement with project after acceptance of bid _____

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

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

Any enquiries regarding bidding procedures may be directed to –

Department: National Treasury

Contact Person: Thivhileli Matshinyatsimbi / Sithembile Skosana

E-mail address: thivhileli.matshinyatsimbi@treasury.gov.za / sithembile.skosana@treasury.gov.za

Any enquiries regarding technical enquiries may be directed to –

Contact Person: Daniel Mokoena/Gershon Sibinda

Contact Person: Daniel.Mokoena@treasury.gov.za / Gershon.Sibinda@treasury.gov.za

PLEASE REFER TO THE ATTACHED TERMS OF REFERENCE FOR MORE INFORMATION.

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes 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, shareholder², 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.

¹"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

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

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

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

2.7.2.1 If yes, did you 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.

.....

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

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

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price

quotations, advertised competitive bidding processes or proposals;

- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

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

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

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

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6

7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = (maximum of 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

- 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 or QSE

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration
number:.....

8.3 Company registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to

such cancellation;

- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>
--

<p>..... SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>

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	<p>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?</p> <p>(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).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

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

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ 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.

³ 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.

Contractor/Supplier Name:	
Natural Persons:	
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"> • The manner of duties performed; • The hours of work; • The quality of work. 		
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"> • Leave pay; • Medical aid; • Training; • Sick Leave. 		
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?		
Non-Residents of the RSA			
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.

Representative's Full Names:	Capacity:	Contact number:
Signature:		Date:

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.

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

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 any one client , 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.

Representative's Full Names:	Capacity:	Contact number:
Signature:		Date:

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.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
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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.

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

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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.