

Ramotshere Moiloa Local Municipality “NW385”



INVITATION TO BID

(In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005))

BID NO: RMLM SCM: 2023/2024-01B

**APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD
TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT
ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A
PERIOD OF 3 YEARS**

Closing Date and Time: 22 AUGUST 2023 @ 11h00

NAME OF BIDDER:		Bidder VAT registered?
TOTAL BID PRICE (INCL VAT): (Brought forward from MBD 3.1)		Yes: <input type="checkbox"/> No: <input type="checkbox"/>

Please note that it is compulsory for all service providers to complete the above required information

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BID CHECKLIST

Bidders are to use this checklist to ensure that the bid documentation is complete for administrative compliance. The bidder is to indicate that the documentation is complete and included in the bid document by completing the table below.

Tick to indicate that the information is included

Item	Description	Yes	No	n/a
1.	Is your business registered as accredited prospective supplier on the central suppliers database (CSD)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Is the bid document administration fee paid and a copy of the receipt attached to the bid document?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Did you read and understand all pages of the bid document?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Did you complete the bid documents in black ink?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Did you provide a certified copy of your company registration and VAT registration certificates ?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Did you provide a certified copy of your identity document in case of sole proprietorship, Shareholders, Directors or Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Did you provide registration certificate pertaining to the relevant industry e.g. (Electrical Contractors Board), if applicable?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Did you provide a covering letter?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Did you provide a Tax Compliance Pin ? (MBD2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Did you complete and sign the Bid Declaration Form ? (section 3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Where applicable, is there a resolution taken by the Board of Directors/Members/Partners completed and signed? (section 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	Where applicable, is there resolution taken by the Board of Directors of a Consortium or Joint Venture completed and signed? (section 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	Is invitation to bid completed and signed?(MBD 1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	Is the Declaration of Interest completed and signed? (MBD 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	Is the Declaration of Bidder's Past Supply Management Practices completed and signed? (MBD 8)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	Is the Certificate of Independent Bid Determination completed and signed? (MBD 9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	Did you complete and sign the Previous Work Experience of a Similar Nature section? (section 9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	Is the Preference Points Claim Form in Terms of the Preferential Procurement Regulation 2022 completed and signed? (MBD 6.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	Did you provide Proof/ documentation of points claimed in terms of preferential procurement regulation 2022? (MBD 6.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	Does the product/service offered conform to the Bid Specifications?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.	Is Pricing Schedule completed? (MBD 3.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.	Where applicable, is the Declaration for Procurement Above R10 million (all applicable taxes included) completed and signed? (MBD 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.	Did you attach the annual financial statements as required in MBD 5? (For Procurements above R10 million)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL CONDITIONS OF BID

1. The Municipality's document must be kept as supplied and submitted with all schedules / forms fully completed.
2. Any other documents, certificates etc. must be attached as an annexure to the official Municipal document.
3. Where the Municipality's official document is taken apart and not submitted as supplied, the bid might be rejected.
4. Schedules / forms not duly completed and signed by the bidder will result in a bid not being considered.
5. All Forms of Special Conditions in Specifications should be included.
6. The bid document must be completed in black ink, and prices must be VAT inclusive, unless otherwise specified.
7. The lowest or any Bid will not be necessarily be accepted, and the Ramotshere Moiloa Local Municipality reserves the right to accept the whole or any portion of a Bid.
8. All prices and details must be legible to ensure the bid will be considered for adjudication.
9. Corrections may not be made by means of correction fluid such as Tip – Ex, or any other similar product. In the event of a mistake being made, it should be crossed out in ink and be accompanied by a full signature at each and every alteration. The Municipality reserves the right to reject the bid if corrections are not made in accordance with the above.
10. All completed bid documents must include the following documents:
 - Copies of company registration certificate
 - Company profile
 - Certified ID copy(s) of Director(s) (Not older than 3 months)
 - Original proof of purchase of tender document
 - Tax compliance pin of the company
 - CSD Registration Report
 - A letter confirming bank details of the company not older than 3 months
 - Proof of Municipal rates/letter from Tribal Authority/Copy of a valid lease agreement for the company
 - Copies of similar work done (Copies of appointment letter and completion certificate minimum three (3)
 - Three years audited financial statements
 - Letter of good standing from department of labour (COIDA)
 - Proof of membership with Standard Transfer Specification (STS)
 - Provide proof of Vending system software license.
 - In case of a Joint Venture a Joint Venture agreement and Joint Venture B-BBEE should be attached (Sworn affidavit is not acceptable).
11. The bidder may submit a comprehensive company profile, for example the founding company statements, as well as a detailed exposition of previous work done.
12. No bid forwarded by e – mail, telegram, telex, facsimile or similar apparatus will be considered.
13. Late bids shall not be admitted for consideration.
14. Bids must be properly received and deposited in the bid box of the Ramotshere Moiloa Local Municipality on or before Wednesday **22 AUGUST 2023 @ 11h00**. Bid offers must be submitted in a sealed envelope properly marked in terms of the bid number and bid description, at the offices of the Municipality situated at Ground floor Ramotshere Moiloa Local Municipality; C/o President & Coetzee Streets Zeerust not later than **22 AUGUST 2023 @ 11h00**
15. Copyright / Patent Rights – Copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Ramotshere Moiloa Local Municipality.

BID DECLARATION

1. I/we Mr/Mrs/Messrs _____ duly assigned to represent the bidder for the purpose of this bid, hereby bid to supply the goods and/or render services described in the attached documents to the Ramotshere Moiloa Local Municipality on terms and conditions stipulated in this bid and in accordance with the specifications stipulated in the bid documents (which shall be taken as part of, and incorporated into this bid) at the prices reflected in the Pricing Schedule.
2. I/we agree that this offer shall remain valid for a period of **90 days** commencing from the closing date and time of this bid.
3. I/We further agree that:
 - 3.1 This bid and its acceptance shall be subject to the terms and conditions contained in the in the Ramotshere Moiloa Local Municipality Supply Chain Management Policy;
 - 3.2 if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Ramotshere Moiloa Local Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Ramotshere Moiloa Local Municipality and I/we will then pay to the Ramotshere Moiloa Local Municipality any additional expense incurred by the Ramotshere Moiloa Local Municipality having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid; the Ramotshere Moiloa Local Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the Ramotshere Moiloa Local Municipality may sustain by reason of my/our default;
 - 3.3 If my/our bid is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;
 - 3.4 The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose *domicilium citandi et executandi* in the Republic of South Africa, where any and all legal notices may be served at (full street address of this place):

4. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
5. I/we hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.
6. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.
7. I/we declare that I/we have participation/no participation* in the submission of any other offer for the supplies/services described in the attached documents. *If in the affirmative, state name(s) of bid(s) involved.

Name of Bidder: _____ Signature _____

RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of_____
(Name of Bidder)Held at _____ On _____
(Place) (Date)**RESOLVED THAT:**

1. The enterprise submits a Bid to the Ramotshere Moiloa Local Municipality in respect of the following project:

**APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD
TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT
ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A
PERIOD OF 3 YEARS**

2. Mr/Mrs/Ms _____

In his/her capacity as _____ and who will
sign as follows:

(Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the bid to the enterprise mentioned above.

Note: The resolution must be signed by all the directors or members/partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Enterprise Stamp

RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of

(Name of Bidder)

Held at _____ On _____
(Place) (Date)**RESOLVED THAT:**

- The enterprise submits a Bid to the Ramotshere Moiloa Local Municipality in respect of the following project:

APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF 3 YEARS

As a Consortium/Joint Venture comprising (list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)

(Enterprise full Name and Registration Number)_____
(Enterprise full Name and Registration Number)

- Mr/Mrs/Ms _____

In his/her capacity as _____ and who will sign as follows:

(Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the Bid to the **Consortium/Joint Venture** enterprise mentioned above.

- The enterprise in the form of a consortium or joint venture accept jointly and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the Ramotshere Moiloa Local Municipality in respect of the project described above under item 1.
- The **Consortium/Joint venture** enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and contract with the Ramotshere Moiloa Local Municipality in respect of the project under item 1:

(Physical Address)

Note: The resolution must be signed by all the directors or members / partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Enterprise Stamp

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (RAMOTSHERE MOILOA LOCAL MUNICIPALITY)					
BID NUMBER:	BID NO: RMLM SCM: 2023/2024-01B	CLOSING DATE:	22 AUGUST 2023	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF 3 YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS					
RAMOTSHERE MOILOA LOCAL MUNICIPALITY					
CNR COETZEE AND PRESIDENT					
ZEERUST					
2865					
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					
TAX COMPLIANCE STATUS	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	
[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]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT				CONTACT PERSON	
CONTACT PERSON				TELEPHONE NUMBER	
TELEPHONE NUMBER				FACSIMILE NUMBER	
FACSIMILE NUMBER				E-MAIL ADDRESS	
E-MAIL ADDRESS					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE 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.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

PRICING SCHEDULE – FIRM PRICES (MBD 3.1)**(PURCHASES)**

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

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

Name of Bidder:

Bid number: **BID NO: RMLM SCM: 2023/2024-01B**

Closing day and time: **22 AUGUST 2023 @ 11h00**

Bid description: **APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF 3 YEARS**

Validity period of this tender is 90 days from the closing of the bid.

Rates quoted should be valid for a period of three years from the date of signing the contract. Bids quoting the rates valid for a period of less than three years will be considered non-responsive.

1. EXECUTIVE SUMMARY

The Ramotshere Moiloa Local Municipality has identified the need to installation and operation of vending system and has s identified the need to improve and enhance revenue management by implementing a world class prepaid electricity system, together with a drive to improve related customer services. Consequently, potential service providers are invited to submit a proposal indicating their ability to supply, operate, maintain, commission and support a comprehensive and versatile prepaid meter management system.

2. OBJECTIVE

The objective of the proposed work is for:
Competent Service providers to submit Business Plans for:

- Installation and Management of Electricity Vending System.

The areas for the installation are in area of supply.

3. BACKGROUND

The Ramotshere Moiloa Local Municipality is in the Ngaka Molema District in the North West Province. Ramotshere Moiloa Local Municipality requires the provision and administration of a prepaid electricity vending system which must be STS & NRS Compliant and registered with the STS Association. The appointed service provider must provide innovative ways to save on energy costs and improve the revenue collection of the municipality.

4. SCOPE OF WORKS

The Municipality has identified the need to improve & enhance revenue management by implementing a world class prepaid Electricity system, together with a drive to improve related customer services.

Consequently, the Municipality requests potential service providers to submit a proposal indicating their ability to supply operate maintain, commission and support a comprehensive and versatile Prepaid Electricity System to enhance revenue collection, and service delivery together with a Task Management System, which can promote service delivery to customers and the reduction of the bulk cost of Electricity and increase in revenue collection.

The successful bidder will provide a comprehensive strategy and requisite finance plan to achieve the improvement in gross profit for the Municipality and realize operational efficiencies to the benefit of.

5. PROJECT TIMEFRAME

The project timeframe is expected to be a maximum period of 3 years.

6. PROJECT DELIVERABLES

The service provider must:

PROVIDE A DETAILED REPORT WITH PERFORMANCE INDICATORS CLEARLY SHOWING:

Project Specific Requirements

The primary objective of the system and services is to ensure that holistic tools, capabilities and expertise are made available to the Municipality to reduce expenditure and improve income by typically: -

- Accurately and timeously determine losses (technical and non-technical) in the system.
- Provide the necessary guidance and tools to rectify Electricity losses and/or accurately measure and bill Electricity so provided.
- Provide a complete prepaid metering system to ensure accurate and transparent tariff and metering application and collections.
- Provide at least two point of sale for vending in each area. This will be done in consultation with the Municipality.
- Enable accurate records keeping of all network assets so installed and on an on-going basis to the satisfaction of the Regulator and provide the Municipality with all relevant financial and service reporting both standard and custom.
- Provide a central fault desk for the Municipality to better liaise and report on issues to its customers and its staff internally.
- Provide a work order tracking and costing solution for service staff.
- The successful Bidder will be expected to present a live demonstration of the proposed system as currently being utilized at a comparable institution in Southern Africa. Please note that preference will be given to as much local content as possible under the circumstances.
- A detailed implementation plan will be required.
- A comprehensive skills transfer and training plan will be required.
- Web Based Portal System link between STS and existing and future AMR System.

The successful Bidder will have to demonstrate a clear understanding of the following: -

- Processes around Municipal services.
- Municipal By-laws.
- Tariff Modelling.
- Regulatory Compliance.
- How the prepaid Electricity system could be rolled out in the provision of other municipal revenue generating services and what additional costs would be applicable for say programming of meters.

Systems Specific Requirements

The systems implemented by the successful bidder will include (but not be limited to) the key features as shown below. These systems will be deployed by experienced personnel from the bidder, after which comprehensive training of municipal personnel, operation of the system will be transferred to the Municipality.

Metering Management

The prepaid metering management system must not be locked into any proprietary protocols or metering equipment. Interfacing to all commonly available intelligent and non-intelligent meters and metering equipment must be possible. The successful bidder will be expected to provide proof of this with suitable live demonstrations.

The following sources for consumption for electricity meters must be accommodated for in the system:

- Pre-paid Meter Sales [STS/Token System].
- Manual meters.
- Uploading and linking of supporting documentation to specific devices for efficient record keeping.
- A comprehensive asset register functionality must be available and be integrated into the management system for tracking and reporting on all so installed Electricity network assets.

- Efficient methods of initial and ongoing auditing of network assets must be available and expertise must be passed onto the municipal staff during the training/handover.
- Integration with a current GIS System if necessary.

Financial

A comprehensive Tariff-engine for catering for all Electricity rates must be integrated or available in all software modules.

Billing information as determined from metered data must be exported to existing financial systems.

Bill verification and tariff analyses must be possible for use in regulatory compliance and budget setting.

Arrears management tool Customer details management

Financial Reporting and export functionality to import in current financial system

Customer Services

The System must have the ability to manage internal and external tasks that can be used for Reporting purpose on service delivery.

A Customer portal must be available where a customer can log in and have access to the following features to reduce interaction with municipal staff:

- Ability to change password and personal details.
- Transaction history.
- Any other relevant information the Municipality want to publish.
- Log query to Municipality.

System must be able to create work order automatically if the customer logs it by the following means:

- SMS to a short SMS number.
- Log the query via the Customer Portal.
- Operator at the Municipality can create a work order on the customer's behalf if they phone the Call Centre. Customer must receive a sms with reference number. A detail log of all activity on the task must be recorded and notifications sent to the customer if necessary.
- Notification must be sent to the customer via email and/or sms if a work order has been resolved.
- All software modules will be browser based and be able to work on a standard computer and mobile devices (with internet access).
- A sophisticated user access authorization system must be implemented, and user system access must be defined according to the job scope.

7. EVALUATION METHODOLOGY AND CRITERIA

Mandatory Compliance

1. Submission of a Bid Price indicating a detailed FINANCE MODEL to be agreed on;
2. Submission of a Project Proposal responding to the Technical Evaluation Criteria
3. The **1st Phase** will be the evaluation on minimum requirements and bids that do not meet minimum requirements will not be evaluated further to functionality.
4. The **2nd Phase** will be the evaluation of bids on functionality and during this stage; bids that do not meet the minimum threshold 70% for functionality will be disqualified and will not be considered for the second phase of evaluation.
5. Commercial evaluation based on price and preference points. The **3rd Phase** evaluation will be on pricing models (80 points) and preference points (20).
 - Price = 80 points. Preference = 20 points.

Phase 1: Minimum Requirements

Service providers must meet minimum requirements. Failure to meet the minimum requirements will results in disqualification.

Phase 2: Functionality Evaluation

Service providers must meet the minimum threshold. Failure to meet the threshold in any of the deliverables will result in disqualification and the service provider will not be valued further.

Technical evaluation will be allocated 100 points. Minimum qualifying is 70 points.

Functionality Requirements

The functionality requirements are in two (02) FOLD:

Minimum of 70% is required for further evaluation.

A) Technical Requirements (Compulsory)

A.1) Company Structure with names of personnel.

A.2) CV'S and qualifications of the Personnel.

A.3) List of Current/previous Projects with portfolio of Evidence.

B). Project Management

B.1) Project Methodology/Proposal

FUNCTIONALITY CRITERIA	Max number of points	Points Obtained
Functionality Area		
1. TECHNICAL REQUIREMENTS	65	
Company structure Submission of company organization structure with names relevant to the project. Maximum points = 10	10	
CV's and certified qualification of Personnel as per Structure Project Manager: National Diploma/B-Tech or Higher or 3 Years' experience in Project Management. Vending System Developer: National Diploma or higher Information Technology and Communication. Metering Manager: National Diploma/B-Tech or Degree or Higher in Civil Engineer or similar Metering Qualification. Maximum points = 25	10 10 05	
Previously/current Electricity Vending and/or Pre-Paid System Projects. NB: attach Appointment Letters and/or Completion Certificates. No attachment 1 Project 2 Projects 3 Projects and above Maximum points = 30	0 10 20 30	
2. PROJECT METHODOLOGY/PROPOSAL	35	
NB Failure to obtain 35 is automatic disqualification		
Prepaid Meter Management <ul style="list-style-type: none"> Customer information with units purchased, previous units purchased. 	15	
Customer Service <ul style="list-style-type: none"> Dashboard print out of central fault reporting desk with work order tracking. 	10	
Financial Services <ul style="list-style-type: none"> Customer e-portal print out with transaction history and logins details. 	10	
Total points for functionality	100	

All technical enquiries should be directed to Electricity Engineer: on email tebz.morobz@gmail.com

NB: - Bidders must score a minimum of 70 points to qualify for further evaluation.

8. PRICING SCHEDULE

SUPPLY OF A STANDARD TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANCE PRE-PAYMENT ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF 3 YEARS					
ANNEXURE A					
ITEM NO	DESCRIPTION	UNIT OF MEASURE	QUANTITY	RATE EXCL VAT	AMOUNT EXCL VAT
1	Vending System Solution	Once-Off			
2	Software - Electricity Prepaid Vending System - Setup, Install and Commission	Once-Off			
3	Vendor Management	Once-Off			
4	Data Migration to new Vending Software System	Once-Off			
5	Vending System Implementation & Interface with Existing Municipal Financial System	Once-Off			
6	New Vending System Parallel with Existing System	Once-Off			
7	Web Services Based Integration	Once-Off			
8	Audit on Existing Infrastructure	Once-Off			
9	STS6 Set-Up Costs	Once-Off			
10	Training on Vending System - Includes ongoing Training for 6 months after Implementation - Per Employee	6 Months			
11	Support and Maintenance Costs	Monthly Fixed			
12	TID - KRN - Token change-over: token identifiers on STS Meter/Vending Systems (Field Work)	Rand per tokens changed per meter			
13	TID Rollover Key Changes - System Tokens generated	Rand per tokens changed per meter			
14	Management & Hosting Fees including ICT Back-Ups and Data Recovery - Per Server	Monthly Fixed			
15	Data Base Management	Monthly Fixed			
16	Vending System - Software, Licence Fees and Support Services - Includes Software Upgrades	Monthly Fixed			
17	Vending System - Communication Costs - Per Server	Monthly Fixed			
18	Vending - Monthly Cash Transaction Fees - % of Transaction Value	Monthly Variable			
19	Vending - Monthly Credit Card Transaction Fees - % of Transaction Value	Monthly Variable			

20	Vending - Monthly Debit Card Transaction Fees - % of Transaction Value	Monthly Variable			
21	Vending - 3rd Party - Own Vendors and Online Website Sales - % of Transaction Value	Monthly Variable			
22	Vending - 3rd Party - Retail and Banks - % of Transaction Value	Monthly Variable			
23	Vending - 3rd Party Commission - Additional to the above - Item 18 to 22	Monthly Variable			
24	3rd Party Collection Services - Set-Up	Once-Off			
25	Call Centre facility/Helpdesk fulltime	Monthly Fixed			
26	Replace CIU - Labour only	Monthly Variable			
27	Additional Development	Per Hour			
28	Project Management (Duration of the project implementation period - hour rate) Project Manager, IT Manager & Vending System Administrator	Monthly Variable			
29	Marketing & Media Campaign - Year 1 Only	Once-Off			
	Any other items - Excl VAT				
30	Point of Sale Device - Vending Application Installed on PC	Per Device/Point			
31	Point of Sale Device - Mobile Unit with Vending Application Installed	Per Device/Point			
32	In-Line Token Printer	Per Device/Point			
33	PC & Monitor, Keyboard and Pointing Device	Per Device/Point			
34	Replacement of Prepaid Electrical Meters - Labour Only	Per Device/Point			
35	Training - On Site (After Implementation Period)	Per Person Per Day/Session			
36	Training - SUM Training Facility (After Implementation Period) Includes travel, accommodation & meals	Per Person Per Day/Session			
37	Inspection of Pre-Paid Meters and Tamper Management/Removal	Rand per Inspected Meter			
38	Arrears/Debt Recovery Cost - Transaction Fees - % of Transaction Value	Monthly Variable			
39	Conversion Cost to new SGC Code - Token Genarated - System	Per Meter			
40	Conversion Cost to new SGC Code - Token Genarated - On Site	Per Meter			

	On-Line Transactions: Payment Methods - Excl VAT - Additional to Items 18 to 22				
41	Credit & Cheque Cards	Cost plus 3.5% plus R2.00 per transaction			
42	Instant EFT	Cost plus 3.5% plus R2.00 per transaction			
43	Masterpass	Cost plus 3.5% plus R2.00 per transaction			
44	Debit Card	Cost plus 3.5% plus R2.00 per transaction			
				SUB TOTAL	
				15% VAT	
NOTES				TOTAL	
A	Vending Fee - % of Transaction Value, VAT exclusive.				
B	3rd Party Commission - % of Transaction Value, VAT exclusive.				
	Note 1: All the above excludes 15% VAT unless otherwise indicated.				
	Vending System includes the following - Refer to information within the Proposal and Methodology				
	· Vending Management System (VMS)				
	· Head End System (HES)				
	· Meter Data Management System (MDMS)				
	· Outage Management System (OMS)				
	· Demand Side Management (DSM)				
	· Asset Data Management System (ADMS)				
	· Multi Vendor Meter Data Management System (VMMDMS)				

Required by:

At:

Does offer comply with the specifications?

*YES / NO

* Delete if not applicable

If not to specification, indicate deviation(s):

.....

Period required for delivery: *Delivery: Firm/not firm

* Delete if not applicable

Delivery basis:

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

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

PREVIOUS WORK EXPERIENCE OF A SIMILAR NATURE

List main work experience of a **similar nature to this bid** successfully executed and completed (or on-going) in the last five (5) years:

No	Institution / client / employer	Project description	Date started	Date completed (indicate projected completion if on-going)	Project value in Rand	Name and contact details of contact person / reference at institution
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Representatives of the Ramotshere Moiloa Local Municipality are hereby authorized to contact the above contact persons / references of the various institutions to verify the correctness of the information as supplied.

<p>.....</p> <p style="text-align: center;">Signature</p>	<p>.....</p> <p style="text-align: center;">Date</p>
<p>.....</p> <p style="text-align: center;">Position</p>	<p>.....</p> <p style="text-align: center;">Name of Bidder</p>

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²)

3.4 Company Registration Number:

3.5 Tax Reference Number.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.

.....

¹MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of 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);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state for the past twelve months?YES / NO

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

**DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)
(MBD 5)**

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1. Are you by law required to prepare annual financial statements for auditing? *YES / NO
* Delete if not applicable

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....
.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days? *YES / NO
* Delete if not applicable

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

If yes, provide particulars.

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

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? *YES / NO
* Delete if not applicable

If yes, furnish particulars

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

4 Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? *YES / NO
* Delete if not applicable

If yes, furnish particulars

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

CERTIFICATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature Date
..... Position Name of Bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Specific Goals

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitation to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the Organ of State

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 80/20 preference point system will be applicable to this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income- generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

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

	POINTS
PRICE	80
Specific Goals	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The Organ of State reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently , to substantiate any claim in regard to the preferences, in any manner required by the organ of state

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1 In terms of Regulation 4 (2); 5(2); 6(2); and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purpose of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/documentation stated in the conditions of this tender.
- 4.2 In cases where organs of state intend to use regulation 3(2) of the regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of –
- An invitation for tender for income -generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or (a)
 - Any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system.

Then the organ of state must indicate the points allocated for specific goals for both the 90/10 and the 80/ 20 preference point system.

Below

(note to organs of state: where either 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such

Note to tenderers: the tenderer must indicate how they claim points nfor each preference point system)

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Locality 1.Ramotshere Moiloa-4 2. Ngaka Modiri Molema-3 3. North West Province-2	4	
Gender	4	
Disability Subject to proof of disability/confirmation letter from the doctor.	4	
Youth	4	
Nationality South African-4 Non- South African-0	4	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3 Name of company/firm.....

4.4 Company registration number

4.5 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Organization
- ☐ State Owned Company

[Tick applicable box]

4.6 I the undersigned, who is duly authorised to do so on behalf of the company/ firm certify that the points claimed, based on specific goals as advised in the tender qualifies the company/ firm for the preference(s) shown and 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 Organ of State that the claims are correct;
- iv) If the Specific Goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the Organ of State may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9. (1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour and intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity):
.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thedti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011;

- (c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)

1. This serves as a declaration 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.
2. The bid of any bidder may be rejected if that bidder or any of its directors have:
 - a. abused the municipality's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
3.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (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). 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.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.1.1	If so, furnish particulars:		
3.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? 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.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.2.1	If so, furnish particulars:		
3.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.3.1	If so, furnish particulars:		
3.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.4.1	If so, furnish particulars:		
3.5	Was any contract between the bidder and the municipality or any other 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"/>
3.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TO BE 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

CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

- 1 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).^{*} Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 2 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

This **MBD** 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.

In order to give effect to the above, the attached Certificate of Bid Determination (**MBD 9**) must be completed and submitted with the bid:

^{*} 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 BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

BID NO: RMLM SCM: 2023/2024-01B

**APPOINTMENT OF SERVICE PROVIDER FOR SUPPLY OF A STANDARD
TRANSFER SPECIFICATION SYSTEM (STS) COMPLIANT PRE-PAYMENT
ELECTRICITY ONLINE VENDING AND MANAGEMENT SYSTEM FOR A PERIOD
OF 3 YEARS**

in response to the invitation for the bid made by:

Ramotshere Moiloa Local Municipality

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

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

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium* 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.
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

* 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 contra

THE NATIONAL TREASURY
Republic of South Africa

**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

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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 anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods 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 goods 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 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 “Written” or “in writing” means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

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.

12. Transportation

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

13. Incidental Services

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

- (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, 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.

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 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, 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.

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

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 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 goods are required, or the supplier's services are not readily available.

21.4 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 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

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

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

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

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

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

24. Antidumping 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

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.

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 SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is

between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

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