 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA		<h1>Provincial Supply Chain Management</h1>								
		<b>Request for Proposal</b>			<b>Page 1 of 3</b>					
<b>RFP NUMBER</b>										
<b>RFP DESCRIPTION</b>										
<b>CUSTOMER DEPARTMENT</b>										
<b>CUSTOMER INSTITUTION</b>										
<b>BRIEFING SESSION</b>	<b>Y</b>		<b>N</b>		<b>SESSION COMPULSORY</b>		<b>Y</b>		<b>N</b>	
					<b>SESSION HIGHLY RECOMMENDED</b>		<b>Y</b>		<b>N</b>	
<b>BRIEFING VENUE</b>					<b>DATE</b>			<b>TIME</b>		
<b>COMPULSORY SITE INSPECTION</b>	<b>Y</b>		<b>N</b>		<b>DATE</b>			<b>TIME</b>		
<b>INSPECTION ADDRESS</b>										
<b>TERM AGREEMENT CALLED FOR?</b>	<b>Y</b>		<b>N</b>		<b>TERM DURATION</b>					
<b>CLOSING DATE</b>					<b>CLOSING TIME</b>					
<b>TENDER BOX LOCATION</b>										
GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions. The goods / services are therefore required by the Customer Department / Institution, as indicated on this form RFP 01.										

### Notes:

- All bids / tenders must be deposited in the Tender Box at the following address:  
**Gauteng Provincial Treasury, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg**
- Bids / tenders must be deposited in the Tender Box on or before the closing date and time.
- Bids / tenders submitted by fax will not be accepted.
- The GPT Tender Box is generally open 24 hours a day, 7 days a week.
- This bid is subject to the preferential procurement policy framework act and the preferential procurement regulations, 2017, the general conditions of contract (gcc) 2010 and, if applicable, any other special conditions of contract.
- ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL GPG RFP FORMS – (NOT TO BE RE-TYPED)
- ALL REQUIRED INFORMATION MUST BE COMPLETED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED):

### The Tendering System

The RFP Pack consists of two parts namely, Section 1 and Section 2. These two sections must be submitted separately, clearly marked with the Tender Number and the Section Number.

### Training sessions

Non-compulsory "How to tender" workshops are held every Wednesday at 75 Fox Street from 10:00-13:00.




# Provincial Supply Chain Management

**Request for Proposal**
**Page 2 of 3**

SUPPLIER INFORMATION					
COMPANY NAME					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE IN RFP 09]	

<b>SIGNATURE OF BIDDER</b>		<b>DATE</b>	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>			

**This RFP is subject to the General Conditions of Contract and where applicable any other Special Conditions of Contract.**

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
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**Tender documents can be obtained from <http://www.treasury.gpg.gov.za>**

ANY ENQUIRIES REGARDING BIDDING PROCEDURE MAY BE DIRECTED TO:	
DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILE	
E-MAIL ADDRESS	

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILIE	
E-MAIL ADDRESS	

**TYPE OF CONTRACT (COMPLETED BY PROJECT MANAGER)**

<b>SERVICE BASED</b>	Y		N		TERM BASED TYPE	Y		N		VALUE BASED TYPE	Y		N	
<b>VALUE BASED</b>	Y		N											
<b>QUANTITY BASED</b>	Y		N											
<b>TERM BASED</b>	Y		N											

**RETURNABLE ATTACHMENT****GAUTENG PROVINCE**TREASURY  
REPUBLIC OF SOUTH AFRICA**PERSONAL INFORMATION PROCESSING FORM**

1. In the furtherance of the relevant Department's operational requirements and for purposes of complying with its policies, procedures and privacy laws, we may be required to disclose, process and/or further process your personal information provided to us and/or made available by virtue of submission of this bid.
2. For purposes contemplated in paragraph 1, the Gauteng Department of Treasury (**Department**), hereby requests your consent and/or authorisation for the disclosure, processing and/or further processing of any and/or all your personal information as may be necessary for reasons provided in paragraph 1.
3. By signing this Personal Information Processing Consent form, you hereby grant the Department permission, consent and/or authorisation to disclose, process and further process your personal information within our records, as may be required and/or necessary from time to time.

I, the undersigned, \_\_\_\_\_ (*INSERT FULL NAME AND SURNAME*) with Identity Number \_\_\_\_\_, in my personal capacity or acting on behalf of \_\_\_\_\_ (Registration Number: \_\_\_\_\_) (**Company**), confirm that:

4. I have read and understood the contents of this Personal Information Processing Consent form, the details of which have been further explained to me.
5. my or \_\_\_\_\_'s (*INSERT COMPANY'S NAME*) personal information and/or data may be disclosed, processed and/or further processed by the Department (including its employees, agents, contractors and representatives) and such other third parties contracted with the Department involved in the processing, verification and management of my and/or Company's Personal Information in accordance with the requirements set out in paragraph 1 (**Processors**);
6. any one or more of the above entities/representatives may utilise my and/or Company's personal information/data storage and/or any traffic data processing infrastructure located in and outside the borders of the Republic of South Africa (**RSA**), in which instance my and/or Company's personal information/data may be conveyed, processed and/or stored outside the borders of RSA;
7. I accept the data security and protection measures adopted and/or applied by the Processors in their retention, disclosure, processing and further processing of my and/or Company's personal information/data; and
8. The Department may retain any of my personal information/data as may be required by the Department or for purposes contemplated in paragraph 1.

9. By my signature below, do hereby give my or the Company's irrevocable consent, and/or authorisation for purposes required and/or detailed in this Personal Information Processing Consent form.

### Privacy Laws Compliance Clause

I, the signatory to this document/form, further warrant and undertake:

10. to comply with all privacy laws (including the Protection of Personal Information Act 4 of 2013, as amended, (**POPIA**)) applicable to the processing of any Personal Information resultant from and/or pursuant to the terms of this Agreement. You further undertake to ensure that all security measures are in place, to:
- ✓ ensure the lawful processing of Personal Information
  - ✓ secure the integrity and confidentiality of such Personal Information;
  - ✓ provide the appropriate and reasonable technical and organization measures to prevent any loss, damage or unauthorized destruction of Personal Information;
  - ✓ mitigate against any unlawful, data breach or unauthorised access to Personal Information;
  - ✓ identify any or potential risks related to data breaches or contravention with privacy laws;
  - ✓ apply the acceptable information security practices and procedures.
11. to indemnify the Department against any losses, howsoever arising, resultant from any breach or contravention of the privacy laws including your breach of this clause and shall, timeously, notify the Department, the data subject and the Information Regulator in the event of any contravention or unauthorised disclosure of Personal Information.
12. In accordance with the requirements of POPIA, I hereby give the Department the expressed and revocable consent to and/or authorisation to disclose, process and/or further process any Personal Information obtained by the Department pursuant to the terms of this Agreement.

Signed by: \_\_\_\_\_

ID Number: \_\_\_\_\_

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_



# Provincial Supply Chain Management

**RFP Point System**
**Page 1 of 1**

<b>RFP NUMBER</b>		<b>CLOSING DATE</b>	
<b>VALIDITY OF RFP</b>		<b>CLOSING TIME</b>	

In case of queries, please contact the GPT Contact Centre at tel: 0860 011 000

\*GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions.

The goods / services are therefore required by the Customer Department / Institution, as indicated on RFP 01.

**The Gauteng Provincial Government requests your bid on the goods and/or services listed on the attached forms. Please furnish all information as requested and return your bid on the date stipulated. Late and incomplete submissions may invalidate the bid submitted.**

**This RFP will be evaluated on the basis of Preferential Procurement Regulation, 2017 pertaining to the Preferential Procurement Policy Framework Act (Act number 5 of 2000).**

## Point System

Points SHALL be allocated as follows:

Points for

Points for

**\* It is the responsibility of the bidder to attach A VALID SWORN AFFIDAVIT {EME/QSE} ATTESTED BY A COMMISSIONER OF OATHS OR VALID CERTIFIED COPY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE WITH THIS RFP DOCUMENT TO QUALIFY FOR THE PREFERENCE POINTS**



# Provincial Supply Chain Management

## Instructions to Bidders

Page 1 of 2

1. The RFP (Request for Proposal) Pack is drawn up so that certain essential information should be furnished in a specific manner. Any additional particulars shall be furnished in a separate annexure.
2. The RFP forms should not be retyped or redrafted, but photocopies may be prepared and used. Additional offers may be made for any item, but only on a photocopy of the page in question or on other forms obtainable from the relevant Department or Institution advertising this RFP. Additional offers made in any other manner may be disregarded.
3. Should the RFP forms not be filled in by means of electronic devices, bidders are encouraged to complete forms in a black ink.
4. Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted with regards to claims arising from the fact that pages are missing or duplicated.
5. The forms RFP 04 to RFP 09 and PREF documents shall be completed, signed and submitted with the bid. RFP 10 (National Industrial Participation Programme Form) will only be added to the RFP pack to be completed by bidders when an imported component in excess of US \$ 10 million is expected.
6. A separate RFP 06 form (RFP Price Schedule per item) shall be completed in respect of each item. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP(not applicable for Pre-qualification of Bidders).
7. Firm delivery periods and prices are preferred. Consequently bidders shall clearly state whether delivery periods and prices will remain firm or not for the duration of any contract, which may result from this RFP, by completing RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
8. If non-firm prices are offered bidders must ensure that a separate RFP 07 (Non-Firm Prices per item) is completed in respect of each item for which a non-firm price is offered. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP (not applicable for Pre-qualification of Bidders).
9. Where items are specified in detail, the specifications form an integral part of the RFP document (see the attached specification) and bidders shall indicate in the space provided whether the items offered are to specification or not (not applicable for Pre-qualification of Bidders).
10. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified" (see the attached specification) (not applicable for Pre-qualification of Bidders).
11. In cases where the items are not to specification, the deviations from the specifications shall be indicated (see the attached specification).
12. In instances where the bidder is not the manufacturer of the items offered, the bidder must as per RFP 06 (RFP Price Schedule per item) submit a Letter of Supply from the relevant manufacturer or his supplier (not applicable for Pre-qualification of Bidders).
13. The offered prices shall be given in the units shown in the attached specification, as well as in RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
14. With the exception of imported goods, where required, all prices shall be quoted in South African currency. Where bids are submitted for imported goods, foreign currency information must be supplied by completing the relevant portions of RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
15. Unless otherwise indicated, the costs of packaging materials (if applicable) are for the account of the bidder and must be included in the bid price on RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
16. Delivery basis (not applicable for Pre-qualification of Bidders):
  - (a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of offer shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station, if the goods are required elsewhere.
  - (b) Notwithstanding the provisions of paragraph 16(a), offered prices for supplies in respect of which installation / erection / assembly is a requirement, shall include ALL costs on a "delivered on site" basis, as specified on RFP 06 (RFP Price Schedule per item).
17. Unless specifically provided for in the RFP document, no bids transmitted by facsimile or email shall be considered.
18. Failure on the part of the bidder to sign any of the forms RFP 04 to RFP 10 and PREF documents and thus to acknowledge and accept the conditions in writing or to complete the attached RFP forms, Preference documents, questionnaires and specifications in all respects, may invalidate the bid.
19. Bids should preferably not be qualified by the bidder's own conditions of bid. Failure to comply with these requirements (i.e. full



# Provincial Supply Chain Management

## Instructions to Bidders

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acceptance of the General Conditions of Contract or to renounce specifically the bidder's own conditions of bid, when called upon to do so, may invalidate the bid.

20. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the successful bidder may be required to submit **pre-production samples** to the South African Bureau of Standards (SABS) or such testing authority as designated at the request of the relevant Department concerned. Unless the relevant Department decides otherwise, pre-production samples must be submitted within thirty (30) days of the date on which the successful bidder was requested to do so. Mass production may commence only after both the relevant Department and the successful bidder have been advised by the SABS that the pre-production samples have been approved.
21. Should the pre-production samples pass the inspections / tests at the first attempt, the costs associated with the inspections / tests will be for the account of the relevant Department. If the SABS or such testing authority as designated do not approve the pre-production samples, but requires corrections / improvements, the costs of the inspections / tests must be paid by the successful bidder and samples which are acceptable in all respects must then reach the SABS or such testing authority as designated within twenty-one (21) days of the date on which the findings of the SABS or such testing authority as designated were received by the successful bidder. Failure to deliver samples within the specified time and to the required standards may lead to the cancellation of the intended contract.
22. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the samples must be submitted together with the bid before the closing time and date of the RFP, unless specifically indicated otherwise. Failure to submit the requested sample(s) before the closing time and date of the RFP may invalidate the bid.
23. In cases where large quantities of a product are called for, it may be necessary for the relevant item to be shared among two (2) or more suppliers.
24. In cases where the relevant Department or Institution advertising this RFP may deem it necessary, a formal contract may be entered into with the successful bidder, in addition to a Letter of Acceptance and / or purchase order being issued.
25. If any of the conditions on the RFP forms are in conflict with any special conditions, stipulations or provisions incorporated in the bid invitation, such special conditions, stipulations or provisions shall apply.
26. This RFP is subject to the General Conditions of Contract and re-issues thereof. Copies of these conditions are obtainable from any office of the Gauteng Provincial Government (GPG).
27. Each bid must be submitted in a separate, sealed envelope on which the following must be clearly indicated:
  - NAME AND ADDRESS OF THE BIDDER;
  - THE BID (RFP) NUMBER; AND
  - THE CLOSING DATE.

The bid must be deposited or posted;

  - posted to Gauteng Provincial Treasury and to reach the destination not later than the closing time and date; OR
  - deposited in the tender box of the Gauteng Provincial Treasury before the closing time and date.
28. The Gauteng Provincial Government has become a member and as such a key sponsor of the Proudly South African Campaign. GPG therefore would like to procure local products of a high quality, produced through the practise of sound labour relations and in an environment where high environmental standards are maintained. In terms of the Proudly South African Campaign South African companies are encouraged to submit interesting and innovative achievements in the manufacturing field (if relevant to this RFP) – including information on new products, export achievements, new partnerships and successes and milestones.
29. **Compulsory GPG Contract:** It is a mandatory requirement that successful bidder/s (to whom a tender is awarded) sign a GPG Contract upon award of any given contract.





# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B: BID COMMITMENT

1. I/We hereby bid to supply all or any of the supplies and/or to render all or any of the services described in the attached RFP documents to the Gauteng Province of the Republic of South Africa, on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of, and incorporated into, this bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.
2. I/We agree that -
  - (a) the offer herein shall remain binding upon me/us and open for acceptance by the Gauteng Provincial Government as represented by the Department requesting this proposal during the validity period indicated and calculated from the closing time of the bid;
  - (b) this bid and its acceptance shall be subject to the terms and conditions contained in the General Conditions of Contract and Preference Points Claim Form – General Conditions and Definitions of the Preferential Procurement Policy Framework Act - PPPFA (PREF 01) with which I am/we are fully acquainted;
  - (c) 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 Province 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 Province and I/we will then pay to the Province any additional expense incurred by the Province 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 Province 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 Province may sustain by reason of my/our default;
  - (d) if my/our bid is accepted the acceptance may be communicated to me/us by letter or order by ordinary post or registered post and that SA Post Office Ltd shall be regarded as my/our agent, and delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;
  - (e) 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 domicile citandi et executants in the Republic at (full address of this place);

#### FULL ADDRESS

3. 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.
4. 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 any contract, which might be awarded based on this offer.
5. 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 judgement which may be pronounced against me/us as a result of such action.
6. I/We declare that I/we have **participation/no participation\*** in the submission of any other offer for the supplies/services described in this RFP document. If there is participation, state names(s) of bidder(s) involved  
 \* Delete whichever is not applicable.

#### OTHER BIDDERS INVOLVED

7.

#### AUTHORISATION

Are you duly authorised to sign the bid? (Also refer to RFP 01 – page 2)

#### INDICATE

Y ☐ ☐ N ☐ ☐

8.

#### DECLARATION

Has the Declaration of Interest (part B of this form: RFP 04) been duly completed?

#### INDICATE

Y ☐ ☐ N ☐ ☐



# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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### PART B : DECLARATION OF INTEREST

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

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

**10. In order to give effect to the above, the following questionnaire shall be completed and submitted with the bid.**

10.1 Full Name of Bidder or his/ her representative:	
10.2 Identity Number:	
10.3 Position occupied in the company : (director, trustee, shareholder <sup>2</sup> , member)	
10.4 Registration number of company, enterprise, close corporation, partnership agreement or trust	
10.5 Tax Reference Number:	
10.6 Vat Registration Number:	
10.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 11 below.	

<sup>1</sup>"State" means-

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

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

10.7 Are you or any person connected with the bidder, presently employed by the state?		Y			N		
If so, furnish the following particulars	Name of person/Director/shareholder/member:						
	Name of Institution to which the person is connected:						
	Position occupied in the institution:						
	Any other particulars:						



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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10.8 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?	Y				N		
---	---	--	--	--	---	--	--

10.8.1 If yes, did you attach proof of such authority to the bid document? (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid).	Y				N		
---	---	--	--	--	---	--	--

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

10.9 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?	Y				N		
--	---	--	--	--	---	--	--

If YES, furnish particulars							
-----------------------------	--	--	--	--	--	--	--

10.10 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?	Y				N		
---	---	--	--	--	---	--	--

If so, furnish particulars							
----------------------------	--	--	--	--	--	--	--

10.11 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?	Y				N		
--	---	--	--	--	---	--	--

If so, furnish particulars							
----------------------------	--	--	--	--	--	--	--

10.12 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?	Y				N		
---	---	--	--	--	---	--	--

If so, furnish particulars							
----------------------------	--	--	--	--	--	--	--



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Bid Commitment and Declaration of Interest

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

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

### DECLARATION

I, THE UNDERSIGNED (NAME)  CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 10.1 to 10.12 ABOVE IS CORRECT.

**I ACCEPT THAT THE PROVINCE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.**

NAME OF BIDDER OR ASSIGNEE(S)	SIGNATURE OF BIDDER OR ASSIGNEE(S)

DATE	POSITION



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Declaration of Bidder's Past Supply Chain Management Practices

Page 1 of 2

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

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



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Declaration of Bidder's Past Supply Chain Management Practices

Page 2 of 2

### CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

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

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

Name, Position & Signature of Bidder

DATE:

ADDRESS:



**GAUTENG PROVINCE**  
 PROVINCIAL TREASURY  
 REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management


**Special Conditions**

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<b>RFP NUMBER</b>	
<b>RFP DESCRIPTION</b>	
<b>CUSTOMER DEPARTMENT</b>	
<b>CUSTOMER INSTITUTION</b>	

THE FOLLOWING MUST ACCOMPANY YOUR BID, IF INDICATED BY "✓"

<b>Samples</b>	<b>SABS /Equivalent Certificate</b> May not be older than one (1) year, the cost of which will be for the account of the bidder.	<b>Bidders Briefing Session</b>
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 <p><b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA</p>	<h1>Provincial Supply Chain Management</h1>	
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## EVALUATION METHODOLOGY

Bidders must complete Compulsory documents and attach it to their tender document, failing which the tender shall not be considered for Stage 1 evaluation.

Points will be awarded in accordance with the Preferential Procurement Policy Framework Act (PPPFA)

### Stage 1

Criteria for Functionality	Points
<b>TOTAL</b>	

**NOTE:** Bidders who fail to meet the above minimum requirements (Stage 1) shall be automatically eliminated

### Stage 2


Criteria for Price and B-BBEE Status	Points
Bid Price	80
Preference Points	20
<b>TOTAL</b>	<b>100</b>

Bidders are required to use the two envelope bidding system, whereby the Technical Proposal (Stage 1) and Pricing and B-BBEE (Stage 2) be placed in two separate sealed envelopes marked:

- Stage One-

- Stage Two-



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## SUPPLIER JOB CREATION ANALYSIS

Company Name		Date Est.	
--------------	--	-----------	--

	Permanent	Temp	SA Citizens	Other	Comments
Staff compliment at Establishment of Enterprise					
Current staff compliment					
Number of jobs to be created if Bid is successful					

- The successful bidder may be audited during the course of the contract to verify the above information.


Comments to include:

- If Job Creation is direct (by your own company) or indirect (by your supplier)
- Where the jobs created for employees that were in existing positions or unemployed? (Net Job Creation)

NOTE: Job Creation should adhere to all applicable RSA Legislation and Regulations.

=====

THIS SECTION IS FOR OFFICE USE ONLY!						
Observations	Initial Job Count	Job Creation Potential	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Year 1						
Year 2						
Year 3						
Year 4						
Year 5						

	<b>PROVINCIAL SUPPLY CHAIN MANAGEMENT</b>	
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## Abbreviations

Gauteng Provincial Treasury	GPT
Municipal Financial Governance	MFG
Gauteng Provincial Government	GPG
Public Finance Management Act	PFMA
Municipal Finance Management Act	MFMA
Preferential Procurement Policy Framework Act	PPPFA
Generally Recognised Accounting Practice	GRAP
Municipal Finance Hands-on Support Programme	MFHSP
Deputy Director General	DDG
Municipal Standard Chart of Accounts	mSCOA
Terms of Reference	TOR
Integrated Development Plan	IDP
Service Delivery and Budget Implementation Plan	SDBIP
Support Plan	SP
Supply Chain Management	SCM
Standard Operating Procedures	SOP
Medium-term Revenue and Expenditure Frameworks	MTREFs
Unauthorised, Irregular Fruitless-and Wasteful Expenditures	UIF&W

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Municipal Regulations	Budget-and Reporting	MBRR
Municipal Public Accounts Committees		MPAC
Annual Financial Statements		AFS
Communication of Management Audit Findings		CoMAFs
Disciplinary boards		DBs
Geographic Information System		GIS
Request for Proposal		RFP
Electronic Invoice Submission		EIS
Standard Bidding Document		SBD
Joint Venture		JV
Tax Compliance Status		TCS
South African Revenue Services		SARS
Broad-Based Black Economic Empowerment		B-BBEE
Qualifying Small Enterprises		QSE
Exempted Micro Enterprises		EME


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## 1. The Project Background and Goals

### 1.1 Background of Municipal Financial Governance

Municipal Financial Governance (MFG) is a branch of the Gauteng Provincial Treasury, established to ensure effective and efficient financial management in Municipalities and coordinated capacity building. MFG is divided into sub programmes to attain its set strategic objectives, deliverables and targets as follows:

- **Municipal Budgets** ensures optimal and sustainable budget – and revenue management processes in delegated municipalities and monitors the compliance with budget funding requirements.
- **Local Government Financial Services** ensures optimal and sustainable in-year budget monitoring and reporting processes in delegated municipalities with keen focus on mSCOA reporting and further monitors the effective and efficient compliance with financial assets and liabilities management.
- **Municipal Asset Management** promotes and monitors the adequate management of municipal assets throughout the municipal accountability cycle.
- **Municipal Accounting and Auditing** monitors compliance with the financial management and annual reporting framework and further promotes the understanding and implementation of accounting standards (GRAP), as well as the reviewing and reporting on the quality of Annual Financial Statements.
- **Municipal Compliance and Intergovernmental Relations** co-ordinates monitors and reports on MFMA implementation and compliance.

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Further to the above, there is also a need for **Provincial Supply Chain Management** support (asan interim measure) to monitor and support municipal supply chain management.

**Key priorities of MFG include to:**


- Provide support to improve financial, revenue and expenditure management in delegated municipalities.
- Provide support to monitor and assist with the reduction of confirmed provincial government debt.
- Monitor expenditure on national and provincial transfers to municipalities.
- Support the maintenance of unqualified audits for delegated municipalities.
- Support local government in ensuring the maintenance and strengthening of sound financial governance.
- Provide municipal oversight, specifically with respect to MFMA requirements; and
- Progressively gear towards aligning MFG support activities with the six national Local Government game changers.

## **1.2 Background to the Municipal Finance Hands-on Support Programme (MFHSP)**

As a result of the persistent poor performance of municipalities over the past twenty years, numerous support programmes and interventions have been initiated by both national and provincial governments in an effort to improve the capacity of local government, address inadequate service delivery issues, and enhance good governance through improved accountability and transparency.

The Municipal Finance Hands-on Support Programme is currently institutionalized within GPT: MFG. The aim of the programme is to:

- I. Facilitate improved management of the financial affairs of municipalities.

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- II. Promote and support reforms in financial management by building capacity in Gauteng delegated municipalities to implement the provisions of the Municipal Finance Management Act (MFMA) and improve financial maturity.
- III. Improve the capacity of the Provincial Treasury to fulfil its responsibilities in terms of section 5(3) and (4) of the MFMA.
- IV. Improve overall MFMA compliance, financial management and performance in municipalities.
- V. Provide support at an overall Institutional level and direct support to the Municipal Managers and Chief Financial Officers; and
- VI. Support facilitates and co-ordinate the implementation of all Constitutional support (Section 154) related to financial management matters, review of the mandatory intervention and support to financial management processes in discretionary intervention.

MFG and through the MFHSP supports Outcomes 9 and 12 in helping to build a responsive, effective, and efficient local government system, build an efficient, effective, and development-orientated public service, and build an empowered, fair, and inclusive citizenship as it relates to local government financial management.

The MFHSP ended on the 6 July 2020 and was a programme that provided hands-on technical assistance to strengthen, support and build the institutional and technical financial management capacity of MFG and Municipalities. This is mainly achieved through the placement of Technical Advisors within MFG and municipalities.

To provide optimum support under the MFHSP, ideally the positions of Municipal Manager and Chief Financial Officer in municipalities must be filled, or measures should be underway to fill such positions. This will be considered when providing assistance and may potentially impact the timeframes or any condition(s) for such assistance.



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The MFG Deputy Director General (DDG) alongside the entire Management team in the Branch is responsible for providing the overall strategic leadership, oversight, management, and support required for the successful implementation of the Municipal Finance Hands-on Support Programme (MFHSP). This includes:


- Preparing the overall support plan.
- Managing the budget, formulating the scope of work, and executing specific project objectives; and
- Managing, monitoring, and evaluating the performance of all resources, policies, and programme implementation.

The MFHSP also works in close consultation with the relevant MFG sub programmes and other Programmes within GPT to ensure integration and consistency of policy implementation, technical support and the co-development of initiatives, tools and systems to strengthen the implementation of local government financial management.

### 1.3 Challenges of the Municipalities

While there are some municipalities that are in reasonably good shape there are a lot more municipalities that are in varying degrees of financial distress. There is a significant number of municipalities that continue to perform poorly and remain a cause for concern. This contributes to a negative impression of the performance of the municipal system as a whole. Billions of funds allocated to municipalities are managed in ways that are contrary to the prescripts. In some cases, those responsible for transparent management of these resources do not do it, while no proper oversight over these lapses is affected. This makes for a very weak accountability and consequently exposure to abuse of the public purse and the following challenges continue to be raised.

- Municipalities continue to have insufficient cash coverage to fund their operations
- Overspending of operating budgets has decreased
- Underspending of capital budgets continues to be a challenge
- Some municipalities are adopting unfunded budgets
- Total outstanding consumer debtors has expanded significantly

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- Total creditors outstanding remains very high
- Asset management spending remains inadequate funded
- Recorded water and electricity losses remain high
- Municipal audit outcomes continue to decline and the number of unqualified audit opinions with findings decreasing
- Irregular expenditure and Unauthorized expenditure is constantly increasing
- Fruitless and wasteful expenditure incurred by municipalities is still on a rise

#### 1.4 Goals of the project

- Gauteng Provincial Treasury (GPT) is seeking to appoint service providers who will provide highly qualified, skilled, and experienced General Advisors to provide:-
  - Professional services and complementary support to MFG as part of its Municipal Finance Hands-on Support Programme (MFHSP) towards strengthening GPT's oversight, monitoring of and support to local government.
  - Provision of technical support to selected municipalities as outlined in these TOR.
- GPT seeks to appoint prospective service providers who will provide 8 General advisors who will be placed via the MFHSP to Gauteng delegated municipalities as per the municipal oversight structure by GPT.

## 2. The Customer and Stakeholders


### 2.1 Customer

Gauteng Provincial Treasury

### 2.2 Stakeholders

The required General advisors will be placed at the following municipalities to provide technical support; -

- Emfuleni Local Municipality
- Lesedi Local Municipality
- Midvaal Local Municipality
- Merafong City Local Municipality

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- Mogale City Local Municipality
- Rand West City Local Municipality
- Westrand District Municipality
- Sedibeng District Municipality

### 3. Specific Technical Advisor Requirements

To contribute to improved financial management performance in local government through improved policy implementation and hands-on technical support.

### 4. Scope of Work


The key activities per focus area over the duration of the programme will include, but not limited to the areas highlighted below per general advisor:

- Institutional support;
- Supply chain management;
- Asset management;
- Accounting and Audit;
- Budget and Revenue management;

### *Municipal General Advisor – Focus Areas, Functional Areas and Activities*

#### **Focus Area 1: Institutional Support**


Functional Area	Activities
<b>Support plan and Hands-on Support</b>	<ul style="list-style-type: none"> <li>• Municipal and/ or GPT: MFG Support Plan – conduct baseline assessments that will inform the customisation and development of the Municipal/ GPT: MFG Support Plan (SP). Facilitate the adoption, publication and awareness of the approved SP.</li> </ul>

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Functional Area	Activities
	<ul style="list-style-type: none"> <li>Stakeholder Engagements – subject to GPT direction, participate in relevant municipal and/ or GPT meetings/ forums and present progress against the implementation of the support plan.</li> <li>Municipal/ GPT capacity - (May be required from time-to-time) assist with evaluation of the municipal financial management and/ or GPT: MFG oversight/ support staffing capabilities and provide recommendations to ensure sufficient capacity exists for effective fulfilment of MFMA roles and responsibilities.</li> <li>Financial management capacity building – Through on-going hands-on support, build the capacity of municipal and/ or GPT: MFG staff on the relevant focus area(s) of support.</li> </ul>

### Focus Area 2: Supply Chain Management (SCM)


Functional Area	Activities
<b>SCM policies and Standard Operating Procedures (SOPs)</b>	<p>Assist GPT: MFG and/ or municipalities by designing workable SCM models for their specific environment by:</p> <ul style="list-style-type: none"> <li>Reviewing and aligning the municipal SCM Policies, SOPs and standard bidding documents to applicable legislation and reforms.</li> <li>Providing technical guidance and support to municipalities in updating their SCM policies, SOPs and standard bidding documents.</li> <li>Aligning all the procurement activities, SOPs, business processes and systems to the policy.</li> <li>Ensuring that procurement systems in place are linked to the approved municipal budget.</li> <li>Designing systems and procedures to ensure total compliance to the policies and SOPs by the municipality.</li> </ul>

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Functional Area	Activities
	<ul style="list-style-type: none"> <li>Ensuring the publication of relevant municipal bid documents on the e-tender portal.</li> <li>Establishment and training of all the committees as stipulated in the policies, i.e. bid committees;</li> <li>Building awareness through workshops of the SCM policy, regulations and processes to municipal staff and councillors upon request; and</li> <li>SDIPM capacity building, support with monitoring implementation.</li> </ul>
<b>Contract management</b>	<p>Assist GPT/ MFG and/ or municipalities to implement effective contract management processes and systems through:</p> <ul style="list-style-type: none"> <li>The implementation and maintenance of a comprehensive contract register.</li> <li>A periodic review of the contracts.</li> <li>Establishing processes and procedures to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced.</li> <li>Establishing contract management capacity in the administration of the municipality or municipal entity through workshops and training to effectively oversee the day-to-day management of the contract or agreement.</li> <li>Ensuring regular reporting to the municipal council, relevant council and management committees as may be appropriate, on the management of contracts or agreements and the performance of contractors; and</li> <li>The rollout and implementation of the approved Contract Management Framework / Guidelines.</li> </ul>
<b>SCM compliance</b>	<p>Assist GPT: MFG and/ or municipalities to ensure effective compliance with SCM regulatory prescripts:</p> <ul style="list-style-type: none"> <li>Monitoring and supporting the implementation of municipal SCM policies and compliance with the MFMA SCM Regulations.</li> </ul>


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Functional Area	Activities
	<ul style="list-style-type: none"> <li>Assisting municipalities in identifying the root causes resulting in persistent non-compliance with the SCM policies and regulations and assist in developing and implementing corrective measures; and</li> <li>Assisting in drafting and implementing action plans to effectively address the root causes of SCM non-compliance issues raised by the Auditor- General, Internal Audit units, the National Treasury and/ or GPT.</li> </ul>
<b>Value for money procurement</b>	<p>Assist GPT: MFG in its support/ oversight role and/ or municipalities experiencing challenges with large and non-performing contractors through:</p> <ul style="list-style-type: none"> <li>Ensuring that goods, services, and works are procured in a manner that is fair, equitable, transparent, competitive and transparent.</li> <li>Implementation of effective demand management plan.</li> <li>Establish compliance with the requirements to advertise all procurement information.</li> <li>Monitor the supply chain management arrangements and reconsider them if they cease to provide the expected value and benefits.</li> <li>Ensure continuous improvement in the efficiency of internal procurement processes and systems; and</li> <li>Ensuring that all contracts procured through the SCM are in writing, with clearly stipulated terms and conditions.</li> </ul>

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**Focus Area 3: Asset Management**

Functional Area	Activities
<b>Asset management policies and Standard Operating Procedures (SOPs)</b>	<p>Assist GPT: MFG in its support/ oversight role and/ or municipalities by designing workable asset management models for their specific environment by:</p> <ul style="list-style-type: none"> <li>• Reviewing and aligning the municipal asset management policies and SOPs to applicable legislation, frameworks and guidelines.</li> <li>• Providing technical guidance and support to municipalities in reviewing and updating of their asset management policies and SOPs.</li> <li>• Building awareness through workshops of the asset management policy, regulations and SOPs to municipal staff and councillors as agreed.</li> <li>• Reviewing and updating the Asset Management Plans; and</li> <li>• Reviewing and updating the Asset Maintenance Plans.</li> </ul>
<b>Accounting for Assets</b>	<p>Assist GPT: MFG in its support/ oversight role and/ or municipalities with all municipal asset accounting related matters:</p> <ul style="list-style-type: none"> <li>• To ensure compliance with laws and regulations when accounting for municipal assets.</li> <li>• To ensure compliance with applicable GRAP accounting standards and directives when accounting and disclosing assets.</li> <li>• To ensure compliance with recommended asset management guidelines when accounting for assets.</li> <li>• To compile an asset register that addresses the following: Existence, Completeness, Valuation, Ownership, Classification, Accuracy; and</li> <li>• To ensure a full integration of the asset register with the general ledger as well as compliance with the MFMA Municipal Regulations on a Standard Chart of Accounts, 2014 (<i>mSCOA</i>) requirements.</li> </ul>
<b>Internal controls</b>	<p>Assist GPT: MFG in its support/ oversight role and/ or municipalities with all municipal asset internal control related matters:</p>


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Functional Area	Activities
	<ul style="list-style-type: none"> <li>• To ensure internal controls are established for proper asset management practices during the assets life cycle that are in line with rules and regulations, recommended guidelines and GRAP compliance.</li> <li>• To implement internal controls to safeguard assets against improper use, loss, theft, malicious damage or accidental damage.</li> <li>• To institute internal controls that ensure alignment of the service level needs as per the Integrated Development Plan (IDP) with the capital budget and asset acquisition plan.</li> <li>• To implement internal controls that ensure evaluation of the various asset acquisition methods.</li> <li>• To establish controls that ensure that assets are disposed in line with the provisions of the MFMA and other applicable guidelines; and</li> <li>• To institute controls that will ensure effective collaboration of Technical, Engineering, Finance, Town Planning Departments, etc. in the management and accounting of assets.</li> </ul>


#### Focus Area 4: Accounting and Audit Support

Functional Area	Activities
<b>GRAP implementation, and annual financial statements (AFS) preparation</b>	<ul style="list-style-type: none"> <li>• Provide technical support and guidance to municipalities on the implementation of GRAP Standards.</li> <li>• Assist municipalities in developing and implementing their accounting policies.</li> <li>• Assist municipalities in developing, implementing and reviewing the AFS preparation plans.</li> <li>• Provide support, advice and technical guidance to municipalities on the compilation and finalization of annual financial statements.</li> </ul>




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Functional Area	Activities
	<ul style="list-style-type: none"> <li>• Assist municipalities to timely submit the draft AFS to Internal audit, Audit Committee and the Gauteng Provincial Treasury for review.</li> <li>• Assist municipalities in reviewing the draft AFS.</li> <li>• Assist with review of the annual and oversight reports.</li> <li>• Monitor that municipalities comply with the provisions in Chapter 12 of the MFMA relating to the preparation, timeously submission of the AFS and annual report and consequences for non-compliance.</li> <li>• Conduct on-going capacity building with municipal officials relating to GRAP and financial statement support.</li> </ul>
<b>Internal audit &amp; Audit Committees</b>	<ul style="list-style-type: none"> <li>• Provide support and advice to municipalities on the establishment and functionality of the Audit Committee and Internal Audit Units.</li> <li>• Assist with the development and implementation of quality assurance and improvement programmes on Audit Committee and Internal Audit activities.</li> <li>• Provide support municipalities by participating, attending and making recommendations at Audit Committee meetings as and when necessary.</li> <li>• Conduct on-going capacity building with municipal officials relating to internal audit and audit committee support.</li> </ul>
<b>Internal controls and accounting</b>	<ul style="list-style-type: none"> <li>• Assist municipalities in developing and revising their Standard Operating Procedures</li> <li>• Provide guidance and insight to municipalities in designing, implementing and effectively monitoring internal controls as they relate to all areas of municipal accounting.</li> <li>• Assist municipalities in performing their monthly reconciliations, controls and verifications.</li> <li>• Assist municipalities with the implementation of a proper document management system which will ensure complete and proper records of</li> </ul>

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Functional Area	Activities
	<p>municipal finances are kept in accordance with applicable norms and standards.</p> <ul style="list-style-type: none"> <li>• Assist and support municipalities in complying with the stipulations and timeframes in the MFMA and supporting regulations.</li> <li>• Conduct on-going capacity building with municipal officials relating to internal control and accounting matters.</li> </ul>
<b>Audit Action Plans</b>	<ul style="list-style-type: none"> <li>• Assist with planning of audit support at municipalities.</li> <li>• Provide technical support, assistance and guidance to municipalities in developing, implementing and reviewing municipal audit action plans.</li> <li>• Provide support and make recommendations at monthly management and other related meetings on the implementation of municipal audit action plans.</li> <li>• Provide technical support to municipal Audit Steering Committee meetings.</li> <li>• Assist municipalities during the annual audit processes in responding to Requests for Information and Communication of Audit Finding (CoMAFs) issued by the Auditor-General.</li> <li>• Conduct on-going capacity building with municipal officials relating to audit support.</li> </ul>
<b>Unauthorised, Irregular Fruitless-and Wasteful Expenditures (UIF&amp;W) and Consequence Management</b>	<ul style="list-style-type: none"> <li>• Assist municipalities to process UIF&amp;W through Councils and Municipal Public Accounts Committees (MPACs).</li> <li>• Assist with the implementation of council resolutions based on the recommendations from MPACs, including the accounting treatment and actual recovery process through the municipalities' debt collection policy.</li> <li>• Assist with the establishment of functional municipal disciplinary boards (DBs), including the development of a DB policy and terms of reference and the monitoring of the implementation of DB's recommendations to council.</li> </ul>

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Functional Area	Activities
	<ul style="list-style-type: none"> <li>• Assist municipalities in providing regular report back to the Gauteng Provincial Treasury on progress on the implementation of the recommendations of the board or lack thereof.</li> <li>• Conduct on-going capacity building with municipal officials on matters relating to UIF&amp;W and consequence management.</li> </ul>

#### Focus Area 5: Budget; Revenue and Expenditure Management


Functional Area	Activities
Budgeting	<p>Assist municipalities with the preparation of credible, funded and compliant medium-term budgets (MTREFs) by:</p> <ul style="list-style-type: none"> <li>• Assisting municipalities to adhere to the applicable legal prescripts, i.e. MFMA, Municipal Budget-and Reporting Regulations (MBRR), etc. regarding budget timeframes and submissions.</li> <li>• Assisting municipalities to compile and approve credible and funded budgets.</li> <li>• Providing support to municipalities with the MBRR schedules and the funding assessment methodology.</li> <li>• Assisting municipalities with the setting of cost reflective tariffs for all billable municipal services.</li> <li>• Assisting municipalities to apply realistic and credible assumptions when compiling their medium-term budgets.</li> <li>• Providing support to municipalities with the review and drafting of budget-related policies.</li> <li>• Assisting municipalities with the effective implementation of adopted funded budgets and related statutory reporting requirements.</li> </ul>

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Functional Area	Activities
Revenue management and related policies and Standard Operating Procedures (SOPs)	<p>Assist municipalities with devising customised revenue management policies by:</p> <ul style="list-style-type: none"> <li>• Reviewing and aligning the revenue management policies and SOPs to applicable legislation, frameworks and guidelines.</li> <li>• Reviewing of all revenue management related policies, to ensure effective formulation and implementation across the revenue value chain, i.e., customer data and accounts, meter reading, billing, payments, credit control and debt collection, indigent management, customer care, etc.</li> <li>• Providing technical guidance and support to municipalities with the implementation of their revenue management policies and SOPs.</li> <li>• Building awareness through workshops of the revenue management policies, regulations and SOPs to municipal staff and councillors as agreed.</li> <li>• Assisting municipalities to address common audit findings and qualifications pertaining to, for example completeness, impairment and accounting of revenue-related transactions and disclosures.</li> <li>• Ensuring that credit control and debt collection policies are implemented to reduce long outstanding debtors, including debt owed by government and government entities.</li> </ul>
Revenue value chain	<p>Assist municipalities with designing effective and integrated revenue management models for their specific environment by:</p> <ul style="list-style-type: none"> <li>• Ensuring that all departments and functions in the Revenue Value Chain work seamlessly and are integrated.</li> <li>• Aligning all the critical revenue value chain processes that impact on the credibility of customer information used to generate accurate and timely municipal accounts.</li> </ul>

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Functional Area	Activities
	<ul style="list-style-type: none"> <li>Analyzing the flow of information along the revenue value chain and provide guidance on how to effectively organize the transaction processing environment in terms of turnaround times and streamlining activities.</li> <li>Ensuring that information is correctly captured along the revenue valuechain and validated by the billing system thereby improving the integrity of the billing data.</li> <li>Guiding municipalities to implement effective internal controls to perform the necessary reconciliations for all sources of revenue to achieve completeness of revenue requirements.</li> <li>Assist municipalities in developing workable strategies and plans that will ensure the measurable improvements in revenue performance and efficiencies in the revenue value chain management.</li> <li>Providing technical support and guidance to municipalities across the key elements of the revenue value chain, i.e., customer data and accounts, meter reading, billing, payments and collections, credit control and debt collection, indigent management, customer care, development and planning, GIS, etc.</li> </ul>
Expenditure Management	<ul style="list-style-type: none"> <li>Provide technical support and guidance to municipalities on costing of municipal activities to ensure realistic expenditure budgets taking municipal-specific realities and financial health into account.</li> <li>Exercise oversight on withdrawal on bank accounts and maintenance of banking details, commitments, management and payment of creditors, grants expenditure, limits and controls to avoid unauthorized expenditure and expenditure accounting principles.</li> </ul>

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## 5. Time frame and performance

The Service Provider will be contracted for a period of 36 months from the date of contracting.

MFHSP General Advisors will be procured as follows:

Service providers will be contracted for a period of 36 months, reviewed periodically on a monthly/quarterly basis.


- Service providers fees must be aligned to the Department of Public Service: Hourly Fee Rates for Consultants (Model B: Long term).
- Service Providers when billing or submitting invoices, must submit evidence/report to be verified by the departmental Project Manager.
- The contract will be reviewed at least bi-annually based on monthly performance submissions.

## 6. Project location and reporting

- The General Advisors will be appointed by GPT but will be based at the municipalities.
- Workstations will be provided by the municipality to accommodate the advisor(s).
- They will report on a day-to-day to the MFMA Project Manager and/ or GPT/MFG Director and will be required, from time to time, to travel across the province over the duration of the programme at their own costs.

## 7. Specific expertise requirements

- a) A tertiary qualification in Financial Management, Financial Accounting, Internal Auditing, Business Administration, Local Government and Finance, Public Administration.
- b) 10 years' experience Local Government financial management or a component thereof.
- c) 5 years' experience in managerial positions.
- d) 10 Years' experience in municipal finance operations, implementing reforms, and performance improvement initiatives.
- e) 5 projects in municipal finance advisory service.

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The Municipal General Advisors roles, over and above the general capabilities, should demonstrate their experience and achievements in Municipal Financial management operations and reforms, as well as project management.

Additional emphasis must be placed on demonstrating competency across the various municipal financial management disciplines and Local Government Legislations. The General Advisor must also have good facilitation skills for strategic thinking, problem solving, and stakeholder management in complex situations.

## **8. General conditions**

### **8.1 Request for Proposal (RFP) Pack**

General conditions of the contract are attached as Annexure A on section 1 of the tender document.


### **8.2 The use of subcontractors**

After award, no part of the work covered by the contract may be let or sub-let to persons including companies, unless authorised in writing by the Accounting Officer GPT in which Preferential Procurement Regulations 2017, section 12 must be applied, which authority, if granted, shall not in any way absolve the contractor of any liability which might result from the contract.

## **9. Special Conditions**

### **9.1 Special Conditions of Contract**

The bidder confirms that he/she has read, understood, and accepts the special conditions of contract, which are attached as Annexure B on section 1 of the tender document.

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## 9.2 GPG Electronic invoice submission system


Payment to suppliers within 30 days of invoice receipt is a national priority. In support of this and towards compliance to Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3 an executive decision was taken to make Electronic Invoice Submission (EIS) registration compulsory for all GPG suppliers whose tenders are successful.

Assistance will be provided to the successful service provider(s) in this regard once the tender adjudication and awarding processes have been concluded and a service provider or service providers are appointed.

## 9.3 Intellectual Property

- 9.3.1** Any Intellectual Property rights that belong to the GPG/GPT which the bidder has access to in delivery of the service, in any media or format and whether that is done by the Service Provider alone or by the bidder in conjunction with any third party of the bidder or the GPT and/or the Department, belongs exclusively and in totality to the GPG and the bidder hereby cedes all right, title and interest in and to any such Intellectual Property rights to the GPG. The bidder must ensure that any third party that the bidder may appoint in relation to the execution of its obligations under this service agrees to the provisions of this clause.
- 9.3.2** Any Intellectual Property that belongs to a Party is the sole property of that Party and neither Party acquires any right, title or interest in the other Party's Intellectual Property.
- 9.3.3** Nothing contained in this Agreement restricts either Party to use any idea, concept, Know-How, or technique developed or learned by any Party during the course of the relationship between the Parties, which does not:
- amount to a disclosure of Confidential Information in breach of this Agreement; or



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- infringe the Intellectual Property rights of the other Party.
- the bidder may only use the GPT/GPG's Intellectual Property if the latter specifically authorizes such use in writing and then only to the extent so authorized.

## **10. Contractual Conditions**

### **10.1 Contracting Authority**

The prospective service provider will contract directly with the Gauteng Provincial Treasury from date of appointment as follows:


#### **10.1.1. Price structure**

- Fees must be quoted at a fixed monthly rate, per resource, inclusive of all expenses.

Any escalations to the fixed fee will be based on annual rates of Consumer Price Index (CPI).

Where the fixed monthly fee is determined by an hourly rate this must comply with the “Guide on Hourly Fee Rates for Consultants”, by the Department of Public Service and Administration (DPSA) or prescribed by the body regulating the profession of the consultant.

- General Advisor will be required to work a minimum of 8 hours per day (working day) and limited to available 2000 hours in per year.
- Successful service providers may only charge VAT on their annual contract if they are registered for VAT.
- The Gauteng Provincial Treasury does not pay for General Advisors travel, accommodation, subsistence allowance and parking costs to and from place of residence and their place of work.
- The Gauteng Provincial Treasury will not pay relocation costs or additional allowances for accommodation to successful bidder/s, irrespective where consultants are to be assigned /placed).

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Should there be a need to replace an advisor based on whom a consulting firm was appointed, it should be noted that the replacement will not be automatic i.e., provision of another advisor by the service provider. GPT has a right to request a replacement advisor with equivalent experience and expertise or better credentials, failing which, GPT will appoint the second-best service provider should they qualify or re-advertise the position to find a suitable replacement.

#### **10.1.2 Resources to be provided by Service providers**

Service Provider/s will be responsible for the provision of any computer equipment (see attached: Minimum Specifications after the evaluation process), connectivity, and all other administrative supplies that may be required over the duration of the programme.

**NB. The bidder will be required to comply with the personal protection Act 4 of 2013 with regards to safeguarding information processed by private or public bodies.**

#### **11. Data Protection**

- Data will be owned and controlled by GPT and data must be in a secured Government Environment Compliant with POPI Act.
- Access to information assets by third parties shall be controlled and monitored by GPT and Municipalities.
- Contract with third parties involving access to GPG information assets shall specify security conditions and requirements.
- All third-party users shall sign a non-disclosure undertaking.
- All third-party users shall sign and undertaking that the information security policy has been read, understood and complied with.

#### **12. Award Conditions**


GPT reserves the right to:

- a) Award to one or multiple service providers.

name: PSCM/SMD/13

Revision: 0

Release Date: 06/03/2020

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- b) Negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions including price without offering the same opportunity to any bidder(s) who has not been awarded the status of the preferred bidder(s).
- c) The department reserves the right to award the tender in part or full.


### 13. Evaluation Methodology

- Evaluation of the bids will be conducted in two stages as per Preferential Procurement Regulations, 2017 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act number 5 of 2000 (PPPFA) as follows:
  - ❖ **Stage one** will be the evaluation of bids on Administrative Compliance, Technical/Desktop Evaluation.
  - ❖ During this stage the bidders that do not meet the minimum threshold for functionality shall be disqualified and will not be considered for further evaluation.
  - ❖ **Stage Two** evaluation will be based on Price and Preference points only.
    - Price = 80 points
    - Preference = 20 points

#### 13.1 Stage One (1A): Administrative Compliance (Mandatory)


- a. Submission of signed Protection of Personal Information Act Consent form.
- b. Submission of Bid Documents Section 1 and Section 2 (proposal and price).
- c. Submission of fully completed and signed SBD forms (1,4,6,1,8 and 9).
- d. In the case of a Joint Venture (JV) / Consortia, the bidder must submit a joint venture service level agreement signed by all parties. Participation percentage / revenue split between the parties must be indicated in the agreement.

**Note: Bidders that do not comply with the above requirements shall be eliminated and shall be regarded as non-responsive.**

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**Other required documents:**

- a) A valid Tax Compliance Status (TCS) Pin code issued by the South African Revenue Services (SARS).
- b) Valid B-BBEE Certificate or copies thereof,
  - ❖ Tenderers who qualify as Exempted Micro Enterprises (EME) may submit a valid Sworn Affidavit signed by the EME representative and attested by a Commissioner of Oaths (in line with the Justices of the Peace and Commissioners of Oaths Act, 1963) confirming its annual total revenue of R10 million or less and indicating B-BBEE Level Contributor. Alternatively, the bidder may submit a valid B-BBEE Certificate for Exempted Micro Enterprises issued by the Companies & Intellectual Property Commission (CIPC) on behalf of the Department of Trade and Industry on 24 April 2018 (This certificate serves as an affidavit in terms of Code Series 000, Section 4.5 of the Amended codes 2013.)
  - ❖ In the case of Qualifying Small Enterprises (QSE), if the bidding entity is more than 51% black owned, the bidder may submit a valid Sworn Affidavit, signed by the QSE representative and attested by a Commissioner of Oaths. (in line with the Justices of the Peace and Commissioners of Oaths Act, 1963). If the QSE is less than 51% black owned, then the bidding entity will be required to provide a valid B-BBEE Certificate or copies thereof.
  - ❖ Only B-BBEE Status Level Verification Certificates issued by agencies accredited by SANAS will be accepted.
  - ❖ In case of a trust, consortium or joint venture, all bidders must submit a valid consolidated B-BBEE Status Level Verification Certificate issued by an agency accredited by SANAS or copies thereof,
- c) Bidders must provide their Central Supplier Database (CSD) number as per registration on the National Treasury Central Supplier Database.
- d) Business Registration Certificate issued by the Companies and Intellectual Property Commission (CIPC).


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- e) Provide the latest independently reviewed financial statements with comparative years, alternatively if no audited annual financial statements are available, provide the latest management accounts with comparative years signed by the accountant, companies that are not required to be audited must provide a letter from the accountant attesting thereto. Companies that are new or dormant are not required to submit audited financial statements.
- f) Bidders should provide copies of valid educational qualifications as supporting documentation for the resources to be provided with accompanying CV's. All international qualifications must be accompanied by the South African Qualifications Authority (SAQA) accreditation.

**Note:** Affidavit submitted must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963 and its Regulations promulgated in Government Notice GNR 1258 of 21 July 1972 Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963.

### 13.2 STAGE 1B: TECHNICAL/DESKTOP EVALUATION

- A total of **100** points per category is allocated for stage 1B.
- The threshold for this part of the evaluation is **70** any bidder who fails to meet this minimum requirement shall be deemed non-responsive and eliminated from any further evaluation.
- Bidders to submit CV as follows:
  - ❖ The bidder must state the qualifications acquired.
  - ❖ The bidder must attach copies of educational qualifications in respect of each resource offered in line with the QUALIFICATIONS EVALUATION CRITERIA listed in the **Table 1** below.

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- ❖ The bidder must show the “Number of years’ experience in local government financial management” and “managerial positions” in respect of each resource offered as per the GENERAL EXPERTISE EVALUATION CRITERIA in the **Table 1** below.
- ❖ Each bidder will be required to provide a record of “demonstrated experience and achievements” elaborate in their CVs for the above-mentioned criteria. Bidders who do not provide a record of experience will not be considered for the role. The evaluation will place an emphasis on the hands-on experience, achievements, the scale and scope of the projects and reforms implemented, the extent to which the experience demonstrates a holistic view of the specialization, context and demonstrates the candidate's ability to conceptualize and lead change initiatives.
- ❖ The bidder to provide the required experience and qualification for each resource offered as per the SPECIFIC EXPERTISE EVALUATION CRITERIA listed under sections 3.1 and 3.2 in the **Table 1** below.
- Candidates must elaborate in their CVs the specific hands-on experience, including the reforms that he/she was actively involved in. The record of experience will be used to evaluate the bidder's specific experience using the evaluation criteria below.

**13.2.1 Technical evaluation criteria for the General Advisors services are stipulated in the table below.**


**Table 1: Functionality/Desktop Evaluation Criteria for General Advisors**

**Evaluation criteria based on technical capabilities**

No.	EVALUATION CRITERIA	SCORING	POINTS
1.	<b>QUALIFICATIONS</b>		<b>25</b>
	Highest educational qualification obtained in: <ul style="list-style-type: none"> <li>• Financial management,</li> </ul>	<ul style="list-style-type: none"> <li>• Honour's degree (NQF Level 8) or higher (25 Points)</li> <li>• Degree (NQF Level 7) (20 Points)</li> </ul>	


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No.	EVALUATION CRITERIA	SCORING	POINTS
	<ul style="list-style-type: none"> <li>Financial Accounting,</li> <li>Internal Auditing</li> <li>Public administration,</li> <li>Business administration,</li> <li>Local Government and Finance.</li> </ul>	<ul style="list-style-type: none"> <li>National diploma (NQF Level 6) (15 Points)</li> <li>National higher certificate (NQF Level 5) (10 Points)</li> </ul>	
<b>2.</b>	<b>GENERAL EXPERTISE</b>		<b>25</b>
	<b>2.1 Resource Experience:</b>  Number of years' experience in Local Government financial management or a component thereof	<ul style="list-style-type: none"> <li>10 years and more (15 Points)</li> <li>7 years to less than 10 years (10 Points)</li> <li>4 years to less than 7 years (5 Points)</li> <li>2 years to less than 4 years (3 Points)</li> <li>Less than 2 years (0 Point)</li> </ul>	15


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	<p>2.2 Number of years' experience in managerial positions.</p> <p>The following positions will be regarded as management:</p> <ul style="list-style-type: none"> <li>• <i>deputy director and above in the Public Service</i></li> <li>• <i>manager reporting to a manager (Municipal Systems Act s.57) and above in municipalities</i></li> <li>• <i>Service providers in the private sector. The following positions will be considered as Senior management in the finance in the private sector i.e</i> <ul style="list-style-type: none"> <li>○ <i>Financial Manager;</i></li> <li>○ <i>Snr Manager Finance;</i></li> <li>○ <i>Financial Controller,</i></li> <li>○ <i>General manager in Finance</i></li> <li>○ <i>Executive Manager Finance</i></li> <li>○ <i>Director Finance and</i></li> <li>○ <i>CFO or equivalent or higher</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 5 years and more (10 Points)</li> <li>• 4 years to less than 5 years (7 Points)</li> <li>• 3 years to less than 4 years (5 Points)</li> <li>• 2 years to less than 3 years (3 Points)</li> <li>• Less than 2 years (0 Points)</li> </ul>	10
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No.	EVALUATION CRITERIA	SCORING	POINTS
3.	<b>SPECIFIC EXPERTISE</b>		<b>25</b>
	<p>3.1 Demonstrated knowledge of the MFMA, and experience in municipal finance operations, implementing financial management reforms and performance improvement initiatives with an emphasis on implementing MFMA regulations and standards.</p> <p>With respect to municipal experience in financial management operations, implementing reforms, performance improvement and relevant components linked to the specific scope of work include, but not limited to:</p> <ul style="list-style-type: none"> <li>• <i>Institutional Support;</i></li> <li>• <i>Supply Chain Management;</i></li> <li>• <i>Asset Management;</i></li> <li>• <i>Accounting;</i></li> <li>• <i>Auditing;</i></li> <li>• <i>Budgeting;</i></li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrated at least five and more components (15 Points)</li> <li>• Demonstrated at least four components (12 Points)</li> <li>• Demonstrated at least three components (10 Points)</li> <li>• Demonstrated at least two components ( 8 Points)</li> <li>• Demonstrated at least one component (6 Points)</li> </ul> <p><b>The demonstration should be in line with the scope of work as per the TOR.</b></p>	15

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No.	EVALUATION CRITERIA	SCORING	POINTS
	<i>Revenue Management.</i>  3.2 Years' experience in municipal finance operations, implementing reforms, and performance improvement initiatives as per the components listed under 3.1 above	<ul style="list-style-type: none"> <li>• 10 years and more (10 Points)</li> <li>• 7 years to less than 10 years (7 Points)</li> <li>• 4 years to less than 7 years (5 Points)</li> <li>• 2 years to less than 4 years (3 Points)</li> <li>• Less than 2 years (0 Points)</li> </ul>	10
<b>4.</b>	<b>SERVICE PROVIDER/BIDDERS EXPERIENCE</b>		25
	4.1 Proof of municipal finance advisory services done: bidders to attach Purchase orders/Award Letters/ reference letters in the company letterhead and signed by the relevant authority.	<ul style="list-style-type: none"> <li>• 5 or more projects in municipal finance advisory services (25 Points)</li> <li>• 4 Projects in municipal finance advisory services (20 Points)</li> <li>• 3 Projects in municipal finance advisory services (15 Points)</li> <li>• 2 Projects in municipal finance advisory services (10 Points)</li> <li>• 1 Project in municipal finance advisory service (5 Points)</li> </ul>	
<b>TOTAL</b>			<b>100</b>
<b>MINIMUM THRESHOLD</b> <i>(to qualify for further evaluation)</i>			<b>70</b>

**Only bidders who score a minimum of 70 points during this evaluation stage will qualify for the next stage of evaluation (Stage 2: Price and Preference Points)**

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## STAGE 2: PRICE AND PREFERENCE POINTS

The contract will be awarded in terms of Regulation 6: Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000). Bids will be adjudicated in terms of 80/20 preference point system in terms of which points are awarded to bidders on the basis of.


AREA	POINTS
Price	80
Preference	20
Total	100

### Price (80 points) and preference points (20 points)

B-BBEE Status Level of Contributor	Preference points)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Preference points will be awarded in respect of BBEE contribution as reflected in the table above. (PPR January 2017 Gazette 10684)

Refer to SBD 6.1 for the calculation of the price and preference points.

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## **Annexure: Computer (Laptop) Minimum Specifications**

### **14. COMPONENT REQUIREMENT**

#### **Computer and processor**

Windows: 2.30 gigahertz (GHz) or faster, 2-core.

macOS: Intel processor

#### **Memory**

Windows: 8GB RAM; (64-bit operating system x 64-based processor)

macOS: 8GB RAM

#### **Hard disk**

Windows: 80 GB of available disk space

macOS: 80 GB of available disk space.

#### **Operating system**

Windows: Windows 10.

macOS: Current three most recent versions

#### **Browser**

The current version of Microsoft Edge, Safari, Chrome, or Firefox.



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Registered Supplier Confirmation**

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**THIS FORM IS TO BE COMPLETED BY REGISTERED SUPPLIERS ONLY**

## PLEASE NOTE:

SUPPLIERS ARE REQUIRED TO PROVIDE THEIR REGISTERED CENTRAL SUPPLIER DATABASE (CSD) NUMBER \_\_\_\_\_

For confirmation of your supplier number and/or any assistance please call the GPT Call Centre on **0860 011 000**.

Registered Suppliers to ensure that all details completed below are CURRENT.

MANDATORY SUPPLIER DETAILS			
GPT Supplier number			
Company name (Legal & Trade as)			
Company registration No.			
Tax Number			
VAT number (If applicable)			
COIDA certificate No.			
UIF reference No.			
Street Address		Postal Address	
CONTACT DETAILS			
Contact Person		Telephone Number	
Fax Number		Cell Number	
e-mail address		Principal's Id number	
BANKING DETAILS (in the name of the Company)			
Bank Name		Branch Code	
Account Number		Type of Account	

**I HEREBY CERTIFY THAT THIS INFORMATION IS CORRECT.**

Name(s) & Signature(s) of Bidder(s)

DATE:



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Tax Clearance Requirements

Page 1 of 1

### IT IS A CONDITION OF BIDDING THAT -

- 1.1 The taxes of the successful bidder **must** be in order, or that satisfactory arrangements have been made with the South African Revenue Service to meet his / her tax obligations.
- 1.2 The South African Revenue Service (SARS) from the 18 April 2016 has introduced an enhanced Tax Compliance Status System, whereby taxpayers will obtain their Tax Compliance Status (TCS) PIN instead of original Tax Clearance Certificate hard copies.
- 1.3 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.
- 1.4 Application for Tax Compliance Status (TCS) or PIN may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website [www.sars.gov.za](http://www.sars.gov.za).
- 1.5 In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Compliance Status (TCS) / PIN / CSD Number.
- 1.6 Where no TCS is available but the bidder is registered on the Central Supplier Database (CSD), a CSD Number must be provided.

### QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- |     |   |     |                          |    |                          |
|-----|---|-----|--------------------------|----|--------------------------|
| 2.1 | Is the bidder a resident of the Republic of South Africa (RSA)? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.2 | Does the bidder have a branch in RSA?                           | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.3 | Does the bidder have a permanent establishment in the RSA?      | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.4 | Does the bidder have any source of income in the RSA?           | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS/TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER ABOVE 1.4 ABOVE.**



# Provincial Supply Chain Management

**Financial Statements**

**Page 1 of 1**

## Submission of Financial Statements

The latest financial statements for the last two years are required (except if it is a new or a dormant entity)

- a) Financial statements must be signed by the auditor (in the case of companies) or the accounting officer (in the case of close corporations) the owner (in case of sole proprietors). Signatures must be on the accounting officer's / auditors report on the auditor's /accounting officer's letterhead.
- b) Financial statements must be signed by the member/s (in the case of close corporations) or by the director/s (in the case of companies.)
- c) In bids where consortia/joint ventures/sub-contractors and partnerships are involved, all bidders must submit their financial statements.
- d) If it is a new or dormant entity an opening set of financial statements must be submitted with the tender document. A letter from the auditor (in the case of companies) or the accounting officer (in the case of close corporations) stating that the entity has not yet traded must be attached.
- e) In cases where an entity has operated for a period less than a year the Management Accounts Report for the period in operation must be submitted signed accordingly as stated in paragraph (a) and (b) of this document.
- f) In cases where the entity has operated for a period more than a year but less than two years, then the financial statement for the first year of operation signed accordingly as per paragraph (a) and (b) of this document must be submitted.

**SBD 9****CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

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



**SBD 9****CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

**SBD 9**

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

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

**SBD 9**

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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**Annexure A****GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT  
July 2010****NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

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

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

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



**security**

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

may have against the supplier under the contract.

## **16. Payment**

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

## **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

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

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

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

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

**25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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



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

Js General Conditions of Contract (revised July 2010)

## Annexure B



**CONTRACT FOR SERVICES: (AS PER TERMS OF REFERENCE)**

**TENDER NUMBER:** \_\_\_\_\_

**BETWEEN**

**THE GAUTENG PROVINCIAL TREASURY**

**AND**

\_\_\_\_\_  
**REGISTRATION NUMBER:** \_\_\_\_\_

**WHEREBY IT IS AGREED AS FOLLOWS:**

Initials: \_\_\_\_\_ Department \_\_\_\_\_ Service Provider \_\_\_\_\_

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                     Department      Service Provider

## 1. DEFINITIONS

In this Agreement, unless the contrary is clearly indicated -

- 1.1 "Agreement" means this document and includes any document that may be attached and incorporated into this document as agreed between the Parties;
- 1.2 "Commencement Date" means \_\_\_\_\_, notwithstanding Date of Signature;
- 1.3 "Confidential Information" means all information or data of any nature whatsoever which the Receiving Party may obtain from the Disclosing Party including, without limitation, Intellectual Property and regardless of how such information is disclosed to the Receiving Party including, without limitation, orally, visually or by inspecting documentation, electronic data or other matter. The following is not Confidential Information:
- i. information that is known to the Receiving Party prior to the date on which it is disclosed;
  - ii. information that is in the public domain prior to the date on which it is disclosed;
  - iii. information that enters the public domain subsequent to the date on which it is disclosed through no act or omission by the Receiving Party; and
  - iv. information that one Party authorises the other Party in writing to disclose;
- 1.4 "Date of Signature" means the last dated signature of this Agreement;
- 1.5 "Data" means any data, including personal data as defined in the Electronic Communications and Transactions Act of 2002 and/or in the Protection of Personal Information Act of 2013 and any other legislation related to the protection of Data, supplied to the Receiving Party by the Disclosing Party or stored, collected, collated, accessed or processed on behalf of the Disclosing Party by the Receiving Party, if applicable;
- 1.6 "Deliverables" means those Deliverables as set out in the Agreement documents, annexures and terms of reference;
- 1.7 "Department" means the Gauteng Provincial Treasury being a department of the Gauteng Provincial Government listed as such under Schedule 2 to the Public Service Act, Proclamation 103 of 1994;

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

- 1.8 “Disclosing Party” means a Party or any person acting on behalf of that Party that discloses or provides Confidential Information to the Receiving Party under this Agreement;
- 1.9 “Good Industry Practice” means using standards, practices, methods and procedures conforming to applicable law and exercising that degree of skill, care, diligence, prudence and foresight that would reasonably and ordinarily be expected of a skilled, and experienced person engaged in a similar type of undertaking under similar circumstances;
- 1.10 “Intellectual Property” means, collectively, patents, trademarks, designs, models, copyright, Know-How, inventions, trade and business secrets, and any other type of intellectual property that is used or held in connection with a Party’s business, regardless of whether such intellectual property is currently used or held or is registered or unregistered. Intellectual Property further includes any other right to apply for the registration, use or protection of same;
- 1.11 “Know-How” means all the ideas, designs, documents, diagrams, information, devices, technical and scientific data, secret and other processes and methods used in connection with a Party’s business, information regarding marketing and promotion of its business, as well as all and any modifications or improvements to any of them which do not constitute entirely new services or products. Know-How that is in the public domain on the Effective Date or which enters the public domain subsequent to the Effective Date through no act or omission by a Party, is excluded from this definition;
- 1.12 “Losses” mean all losses, damage, damages, liabilities, costs, expenses, fines, penalties and claims, and all related costs and expenses. Losses include legal fees on the scale as between attorney and own client, tracing and collection charges, costs of investigation, and interest;
- 1.13 “Parties” mean the parties to this Agreement, and a reference to “Party” is a reference to one of them as determined by the context;
- 1.14 “Products” mean any tangible deliverables that the Service Provider provides to the Department under this Agreement which serves as an integral part of the Services;
- 1.15 “Proposal” means the Service Provider’s response to the Department’s terms of reference in respect of the carrying out of the Services. The GPT has considered and accepted these documents and they are incorporated into and must be read with this Agreement;

Initials:                                                      
                    Department      Service Provider

- 1.16 "Payment Schedule" means the document that stipulates the breakdown of payment to be made in respect of Services, which must be read with this Agreement;
- 1.17 "POPIA" means Protection of Personal Information Act 4 of 2013 and its Regulations;
- 1.18 "Purchase Order" means a purchase order raised by the Department requesting the Service Provider to render Services;
- 1.19 "Receiving Party" means the Party, or any person acting on behalf of that Party, that receives disclosure of any Confidential Information from the Disclosing Party under this Agreement;
- 1.20 "RFP" means the GPT's Request for Proposal Tender number: \_\_\_\_\_ inclusive of the Terms of Reference, which shall be read together with this Agreement;
- 1.21 "Service"/ "Scope of Service" means the service that the Service Provider must render to the Department as specified in the Terms of Reference;
- 1.22 "Service Provider" means \_\_\_\_\_ duly incorporated and registered in terms of the law of the Republic of South Africa with registration number \_\_\_\_\_;
- 1.23 "Staff" means an employee of either Party;
- 1.24 "Term" means a period as fully described in the Terms of Reference;
- 1.25 "Terms of Reference" means the document that formed part of the Request for Proposal that was advertised in respect of the said Service and must be read together with this Agreement. For the avoidance of doubt, all conditions set out therein shall be binding on the Service Provider;
- 1.26 "Trade Marks" means any trademarks (registered and/or unregistered), designs, logos, style names, slogans which a Party owns or has the right to use or any derivative service offerings of, and applications for, any of same; and
- 1.27 "VAT" means value added tax chargeable under the Value Added Tax Act 89 of 1991, as amended.

## 2. ABBREVIATIONS

GPG – Gauteng Provincial Government

GPT – Gauteng Provincial Treasury

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                  Department      Service Provider

### 3. INTERPRETATION

- 3.1 The table of contents in this Agreement is for convenience and reference only and may not be used in the interpretation of this Agreement.
- 3.2 In this Agreement, unless the contrary is clearly indicated -
- 3.2.1 reference to any gender includes the other genders;
- 3.2.2 reference to the singular includes the plural and *vice versa*;
- 3.2.3 reference to natural persons includes legal persons (incorporated or unincorporated) and *vice versa*;
- 3.2.4 any reference to an enactment is to that enactment as at the date of signature of this Agreement and as amended or re-enacted from time to time;
- 3.2.5 if any provision in a definition is a substantive provision conferring rights or imposing obligations on a Party then the same effect must be given to it as any other substantive provision in this Agreement notwithstanding that it is in the definition clause or used as a definition in any other clause of this Agreement;
- 3.2.6 any number of days that are prescribed must be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or South African public holiday, in which case the last day is the next day which is not a Saturday, Sunday or South African public holiday;
- 3.2.7 if there is any conflict between figures referred to in numbers and in words then the reference in words must prevail;
- 3.2.8 if any term is defined within the context of any particular clause then the term so defined bears that defined meaning for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in the definition clause, unless it is clear from the clause in question that the defined term applies to that clause only;
- 3.2.9 reference to a day, month or year is construed as a Gregorian calendar day, month or year;

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

3.2.10 expiry or termination of this Agreement does not affect any provision of this Agreement that expressly provides for its operation after expiry or termination of this Agreement or which of necessity must continue to have effect after expiry or termination of this Agreement, notwithstanding that the provision itself does not expressly provide for this, including any Purchase Order placed during the Term;

3.2.11 the rule that a contract is interpreted against the party responsible for the drafting or preparation of the contract does not apply; and

3.2.12 if the Service Provider is liquidated or sequestrated then a reference in this Agreement to the Service Provider is also applicable to and binding upon the Service Provider's liquidator or trustee, as the case may be.

#### **4. PREAMBLE**

4.1 The Gauteng Provincial Treasury (GPT) has identified the need to procure the services as per Terms of Reference.

#### **5. APPOINTMENT AND ACCEPTANCE**

5.1 The Department hereby appoints the Service Provider with effect from the Commencement Date to render the Services and the Service Provider accepts the appointment upon the provisions of this Agreement.

#### **6. COMMENCEMENT AND DURATION**

6.1 This Agreement commences on the Commencement Date and endures for the Term.

#### **7. THE SERVICE**

7.1 The scope of Services to be provided by the Service Provider in terms of the Agreement is set out in the terms of reference read together with this Agreement and Annexures. The requirements set out in the terms of reference and this Agreement are not exhaustive and may therefore include additional steps to challenges faced to complete the initiative.

7.2 The onus will rest on the Service Provider to keep sufficient records, documentation and information of such variations and changes.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider



- 7.3 Performance will be reviewed by the GPT during the Term of this Agreement.
- 7.4 Should performance be below the required standard, the contract will be terminated before the end of the agreed period by the GPT.

## **8. SERVICE PROVIDER UNDERTAKINGS AND WARRANTIES**

The Service Provider undertakes and warrants that:

- 8.1 it has valid title to render the Service;
- 8.2 it will render the Service with due care, skill and expertise;
- 8.3 it will render the Service with promptness and diligence;
- 8.4 it will at all times use adequate numbers of qualified Staff who are appropriately and suitably educated, trained, skilled and experienced to render the Service;
- 8.5 time is of the essence in rendering the Service and shall be adhered to;
- 8.6 the Services will comply, as at the date of rendering, with all applicable legislative and regulatory requirements as well as rulings of any competent authority that has jurisdiction over the Services, including, without limitation, those pertaining to labour, environmental, health and safety and data protection;
- 8.7 whilst rendering the Services it will at all times comply with all industry-related best practices, codes and standards issued or published by any governing body, council or organisation;
- 8.8 whilst rendering the Services it will at all times comply and ensure that its Staff at all times comply with the reasonable general supervision and direction of the Department;
- 8.9 it will devote the necessary time and attention to providing the deliverables, as set out in the terms of reference and not engage in any business or activity that will prevent the Service Provider from providing the Services;

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

- 8.10 all actions and commitments agreed upon or pursuant to the project management committee meetings or agreed to, will be strictly adhered to;
- 8.11 it will observe neutrality and objectivity in its views and opinions;
- 8.12 it will provide the Department with any information and reports reasonably requested by the Department in connection with the Services, and which information the Service Provider warrants to be accurate and complete;
- 8.13 it has not and will not participate in any bribery or corrupt act, as defined in the applicable laws; and
- 8.14 it will not (and will procure that its Staff do not) under any circumstances offer, promise or make any gift, payment, loan, reward, inducement, benefit or other advantage to any of the Department's Staff; and
- 8.15 it has not been induced to enter into this Agreement by any prior representations, warranties or guarantees, whether oral or in writing, except as expressly contained in this Agreement.

## **9. GAUTENG TREASURY'S UNDERTAKINGS AND WARRANTIES**

- 9.1 The Services shall be provided subject to the following undertakings from the Department:
- 9.1.1 The Department shall, subject to Clause 10 hereinbelow, pay the Service Provider for Services rendered. For the avoidance of doubt, the Parties shall, upon award but no later than the Date of Signature of this Agreement, agree to a Payment Schedule which shall include at which stage payments are made. Further, the amounts payable shall be the amounts that are not in dispute by the Parties.
- 9.1.2 The Department shall ensure that the Service Provider has access to the locations and the relevant equipment as reasonably required to affect the Services; and
- 9.1.3 The Department shall ensure that the Service Provider receives the necessary support and cooperation from the Department's employees and/or third party Service Providers as reasonably required to affect the Services.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

**10. CHARGES**

- 10.1 The total contract amount payable by the GPT to the Service Provider under this Agreement, as per award letter, (VAT included), payment of such as Payment Schedule which shall form part of this Agreement.
- 10.2 The Service Provider must render an invoice to the GPT for Services rendered as per the Payment Schedule.
- 10.3 The Service Provider is committed to ensure stable optimum performance of the services required.
- 10.4 Invoices accurately completed and submitted by the Service Provider and thereafter verified by the Department will be paid within 30 days of receipt of correct invoice.
- 10.5 Except as otherwise expressly provided for in the Agreement, no claim by the Service Provider for any additional payment on any grounds shall be allowed (including without limitation, misunderstanding or misinterpretation in respect of the Agreement) nor shall the Service Provider be released from any risk or obligations imposed on or undertaken by it on such grounds or on the ground that it could not have foreseen any matter which might affect, or have affected its performance in terms of the Agreement.

**11. INVOICE AND PAYMENT**

- 11.1 The Service Provider shall register for GPG Electronic Invoice Submission and Tracking for invoicing purposes.
- 11.2 The Service Provider shall submit invoices for Services rendered, electronically according to the Payment Schedule.
- 11.3 Unless otherwise specified, all charges for Services and/or Deliverable are inclusive of VAT.
- 11.4 The Department may withhold payment of an amount that is disputed in good faith.
- 11.5 The Department must pay a correct invoice that is due and payable in terms of this Agreement within 30 days of receipt thereof.
- 11.6 The Service Provider will provide invoices accordingly and payment shall be paid to the Service Provider's bank account details provided below:

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

Name of Bank:  
Branch Name:  
Branch Code  
Account Number:

- 11.7 The Service Provider must maintain reasonably complete and accurate records of, and supporting documentation for the amounts billed to and payments made by the Department under this Agreement in accordance with generally accepted accounting practices applied on a consistent basis, and shall make these available to the Department or its auditors for review upon written request.

## 12. PROJECT TEAM

- 12.1 The Parties shall from Commencement Date form a project team, which will be responsible for the management of the Agreement so as to ensure the smooth and satisfactory delivery of the Services by the Service Provider to the GPT.
- 12.2 The Project team will be agreed to by Parties.
- 12.3 The functions of the project team shall be as follows:
- 12.3.1 to facilitate communication between the Parties;
  - 12.3.2 to review the progress on the implementation of the Agreement;
  - 12.3.3 to manage and resolve potential disputes;
  - 12.3.4 to monitor and maintain alignment with departmental policy and strategy;
  - 12.3.5 to achieve Agreement objectives within agreed scope, time, cost and quality;
  - 12.3.6 to provide advice and consent on scope Variation;
  - 12.3.7 to facilitate all necessary departmental approvals; and
  - 12.3.8 to provide feedback to relevant stakeholders.

## 13. PERFORMANCE MANAGEMENT

- 13.1 The rendering of the Services is subject to on-going monitoring and review as per clause 7.4.
- 13.2 The Service Provider undertakes to attend and participate in meetings that the Department shall reasonably require from time to time.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

## 14. DATA PROTECTION

14.1 The Parties specifically record that all Data provided by the GPG to the Service Provider and/or its employees or any other person appointed by the Service Provider for this Services in this Agreement, or to which the Servicer Provider or its employees, may be exposed shall constitute Confidential Information and where applicable, intellectual property belonging to the GPG.

14.2 The Service Provider hereby warrants:

14.2.1 in favour of the GPG that it and/or its employees appointed for the Services of this Agreement, shall at all times strictly comply with all applicable legislation and with all the provisions and requirements of any of the GPG's Data protection policies and procedures which may be in force from time to time;

14.2.2 and undertakes that it shall not, at any time, copy, compile, collect, collate, process, mine, store, transfer, alter, delete, interfere with, or in any other manner use the GPG's Data for any purpose other than with the express prior written consent of the GPT;

14.2.3 that it shall immediately inform the GPT should any Data of the GPG to which it has access to be compromised in any manner or form. The Service Provider further undertakes to also immediately inform the GPT as to how it will manage such compromise and what steps will be taken to rectify the situation to the satisfaction of the GPT;

14.2.4 that it shall ensure that all its systems and operation which it uses to provide the Services, including all systems on which data is copied, compiled, collated, processed, transmitted, stored, collected, altered or deleted, or otherwise used as part of providing the Services, shall at all times be of high standards required by law and be of a standard no less than the standards which are utilized by Service Provided for protection, control and use of its Data.

14.3 The GPT may at any time:

14.3.1 access the information the Service Provider has about the GPG and may request the Service Provider to correct or delete the information if it is inaccurate, irrelevant, excessive, out-of-date, incomplete, misleading, obtained unlawfully, or no longer authorized to be kept and may file a complaint with the Information Regulator about an alleged contravention of the protection of the GPG's information;

Initials: \_\_\_\_\_ Department \_\_\_\_\_ Service Provider

14.3.2 withdraw consent to allowing the Service Provider to process the GPG's Data, except as otherwise allowed, or required by law.

14.4 The Service Provider herein expressly consents to the GPG processing of any/all personal information (as defined in POPIA) relating to the Service Provider in the course of managing this Service and/or all ancillary matters connected hereto.

14.5 The Service Provider's obligations under this clause will survive the termination of this Agreement for any reason.

## 15. CONFIDENTIALITY

The Parties agree that this confidentiality clause survives the termination or expiry of this Agreement and the Receiving Party undertakes:

15.1 to treat as strictly confidential all Confidential Information;

15.2 not to use Confidential Information for any purpose other than the performance of its obligations in under this Agreement;

15.3 not to disclose Confidential Information to any person whomsoever other than its Staff and then only on a need-to-know basis;

15.4 to ensure that its Staff are made aware of the confidential nature of the Confidential Information prior to revealing any Confidential Information to any of its Staff;

15.5 to ensure that its Staff observe and comply with their obligations in respect of Confidential Information, whether or not they are still part of its Staff;

15.6 to use the same standard of care (which may not be less than a reasonable standard of care) in protecting the Confidential Information, as it uses to protect its own confidential information; and

15.7 to return to the Disclosing Party at any time upon request or upon termination or expiry of this Agreement, unless the Disclosing Party otherwise agrees in writing, all copies and partial copies of all Confidential Information (whether in paper or electronic format) which the Receiving Party may have obtained from the Disclosing Party as well as all notes (whether in paper or electronic format) which the Receiving Party may have prepared or may obtain as a result of the Confidential Information being made available to the Receiving Party.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

## 16. AUDIT RIGHTS

- 16.1 This Agreement is subject to the provisions of the regulating framework.
- 16.2 The Department, acting through its duly authorised representatives (including without limitation, its external auditors) is entitled to inspect during business hours and at the premises of the Service Provider or such other premises where the Services are rendered from, all books, records, and supporting documentation related to the rendering of the Services and to the Service charges and to make copies of such books, records, and supporting documentation for audit purposes.
- 16.3 If the Department exercises its rights under this clause then it must do so at its own cost and on reasonable prior notice to the Service Provider.
- 16.4 The Department must disclose to the Service Provider any adverse findings pertaining to the Service Provider that emanates from the exercise of the Department's rights under this clause.

## 17. INTELLECTUAL PROPERTY

- 17.1 Any Intellectual Property rights that the Service Provider prepares, creates or authors for the Department under this Agreement in any media or format and whether that is done by the Service Provider alone or by the Service Provider in conjunction with any third party of the Service Provider or the Department, belongs exclusively and in totality to the Department and the Service Provider hereby cedes all right, title and interest in and to any such Intellectual Property rights to the Department. The Service Provider must ensure that any third party that the Service Provider may appoint in relation to the execution of its obligations under this Agreement agrees to the provisions of this clause.
- 17.2 Any Intellectual Property that belongs to a Party is the sole property of that Party and neither Party acquires any right, title or interest in the other Party's Intellectual Property.
- 17.3 Nothing contained in this Agreement restricts either Party to use any idea, concept, Know-How, or technique developed or learned by any Party during the course of the relationship between the Parties, which does not:
- 17.3.1 amount to a disclosure of Confidential Information in breach of this Agreement; or
  - 17.3.2 infringe the Intellectual Property rights of the other Party;

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

- 17.4 A Party may only use the other Party's Intellectual Property if the latter specifically authorises such use in writing and then only to the extent so authorised.

## 18. GENERAL INDEMNITY

The Service Provider hereby indemnifies and holds the Department and its officers, directors, Staff, successors, and assigns (in whose favour this constitutes a *stipulatio alteri*), harmless from Losses arising directly out of:

- 18.1 any claim or action arising from the Service Provider's breach of or failure to observe or perform any of its duties or obligations under this Agreement;
- 18.2 any claim or action arising from the Service Provider's breach of any warranty under this Agreement;
- 18.3 any claim or action arising from the Service Provider's breach of any obligation pertaining to Confidential Information;
- 18.4 the death or bodily injury of any of the Department's Staff, Service Providers, clients, visitors, or other affected persons caused by the Service Provider;
- 18.5 the damage, loss or destruction of any real, tangible or intangible personal property of any of the Department's Staff, Service Providers, clients, visitors, learners or other affected persons caused by the Service Provider;
- 18.6 any claim or action arising from the Service Provider's breach of any obligation pertaining to Data Protection in terms of this Agreement and/or any law; and/or
- 18.7 any claim, demand, charge, action, cause of action, or other proceeding instituted by any of the Department's Staff, Service Providers, clients, visitors, or other affects persons against the Service Provider but resulting from an act or omission of the Service Provider in its capacity as an employer of a person.

## 19. LIMITATION OF LIABILITY

- 19.1 Limitation of the Service Provider's liability does not apply to –

- 19.1.1 Losses arising directly or indirectly out of or in connection with criminal conduct, negligence and/or misconduct on the part of the Service Provider;

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19.1.2 any claim, demand, charge, action, cause of action, or other proceeding brought by a third person against the GPG based on the infringement of any Intellectual Property.

## 20. EVENTS OF DEFAULT

Notwithstanding anything seemingly to the contrary in this Agreement, the Department is entitled but not obliged, to terminate this Agreement at any time by giving the Service Provider notice to that effect, if the Service Provider -

- 20.1 commits an act which is or would (if committed by a natural person) be an act of insolvency;
- 20.2 allows any judgment against it to remain unsatisfied for a period of 30 (thirty) days, unless it takes steps to rescind or appeal against such judgment within such 30 (thirty) day period (or, if it did not become aware of such judgment within such 30 (thirty) day period, then within 30 (thirty) days after the date on which it became aware of such judgment) and successfully prosecutes such rescission or appeal to a timeous conclusion but in any event within 45 (forty-five) days after the date on which it became aware of the judgment;
- 20.3 compromises or attempts to compromise or defer payment of any debt owing by it to its creditors generally or to any class of its creditors generally;
- 20.4 being a juristic person, is provisionally or finally liquidated, undergoes business rescue proceedings, has/d a change of ownership and/or BBBEE rating/status, are removed from the register of companies, placed under judicial management (whether provisionally or finally), takes any steps for its voluntary winding up, or undergoes a change of control;
- 20.5 disposes of all or a material portion of its assets or business or ceases (including, without limitation where there is a reasonable prospect of cessation) to conduct its business except to the extent that such disposal or cessation relates to a solvent and genuine restructuring of the Service Provider, without the prior written consent of Department;
- 20.6 encumbers or hypothecates in any manner whatsoever a material portion of its assets except to the extent that such encumbrance or hypothecation relates to a solvent and genuine restructuring of the Service Provider, without the prior written consent of Department;

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- 20.7 has given any representation or warranty in terms of this Agreement and it proves to be incorrect in any material manner or respect whatsoever;
- 20.8 engages or is found to have engaged in any dishonest, corrupt or fraudulent practice in competing for or in the execution of its obligations under this Agreement;
- 20.9 contravenes provisions relating to the Service and/or quality thereof;
- 20.10 fails to render Services as agreed; and/or
- 20.11 contravenes the provisions of this Agreement pertaining to cession and assignment.

## **21. BREACH**

If a Party breaches this Agreement and fails to remedy such breach within 10 (ten) days of being given written notice requiring it to do so by the aggrieved Party, then the aggrieved Party is entitled, in addition to any other remedy available to it at law or under this Agreement, including obtaining an interdict, to cancel this Agreement or to claim specific performance of any obligation whether or not the due date for performance has arrived, in either event without prejudice to the aggrieved Party's right to claim Losses.

## **22. PENALTY**

In the event that the Service Provider due to its negligence or for reasons within its control, does not perform satisfactorily the services due to the Department in terms of this contract, the Department shall without prejudice to other remedies it has under this contract, be entitled to levy a penalty of 2% of the total amount payable to the Service Provider for every working day or part thereof which shall pass between the end of the period specified for the performance and the actual date of completion. The penalty shall be deducted from the amount payable to the Service Provider.

## **23. DISPUTE RESOLUTION AND ARBITRATION**

- 23.1 Should any difference or dispute, except breach of an obligation in terms of this contract arise at any time between the parties, duly authorized representatives of each Party shall meet within 14 (fourteen) working days, or such period as the parties may agree, from the date on which the dispute arose to resolve the dispute amicably.
- 23.2 The Parties will, pending resolution of the dispute, continue to fulfil all other obligations under this Agreement that are not in dispute.

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- 23.3 If the dispute is incapable of amicable resolution then either Party shall be entitled to refer the dispute to the Arbitration Foundation of Southern Africa (AFSA) to be determined by arbitration in terms of Arbitration Act 42 of 1965, such arbitration shall be held in Johannesburg in the English language.
- 23.4 The appointment of the arbitrator shall be agreed upon between the Parties but failing agreement within 10 (ten) days either Party shall be entitled to request AFSA to make the appointment and, in making such appointment, to have regard to the nature of the dispute.
- 23.5 The arbitrator shall have the powers conferred upon an arbitrator under the Arbitration Act 42 of 1965 but shall not be obliged to follow the procedures prescribed in that Act. The decision of the arbitrator shall be final and binding on the Parties and may be made an order of a court of competent jurisdiction.

## **24. NON-SOLICITATION**

The Service Provider shall not without the prior written consent of the Department, either during or within 24 (twenty-four) months after termination or expiry of this Agreement, directly or indirectly solicit for employment, any person who within the duration of this Agreement, was a member of the Department's Staff and who was directly involved with any activity relating to this Agreement.

## **25. CESSION AND ASSIGNMENT**

- 25.1 The Service Provider shall not be entitled to cede or assign any of its rights and obligations in terms of this Agreement to any third party.
- 25.2 Notwithstanding the above, the Service Provider may cede its obligation to receive payment in terms of this Agreement to a third party. Notwithstanding the aforesaid, the Service Provider shall remain liable for the rendering of the Service in terms of this Agreement.
- 25.3 The Department shall implement payment of in terms of a cession within 60 days from the date of receipt of all necessary documentation.

## **26. PUBLICITY**

The Service Provider agrees that neither it nor any of its Staff shall make or issue, directly or indirectly, any formal or informal, public or private announcement, advertisement or statement for any commercial purpose in connection with the name of the Department or this Agreement or the negotiations leading up to it, without the express prior written consent of the Department, which consent must be obtained both in relation to the fact of the announcement, advertisement or statement, as well as to its contents, which consent shall not be unreasonably withheld or delayed.

## 27. FORCE MAJEURE

27.1 If *vis major* or *force majeure* or *casus fortuitus* ("Interrupting Circumstances") cause delays in or failure or partial failure of performance by a Party of all or any of its obligations under this Agreement, then this Agreement or the affected portion thereof is suspended for the period during which the Interrupting Circumstances prevail. If the Interrupting Circumstances prevail for a period of more than 10 (ten) days then the affected Party is entitled to cancel this Agreement on 5 (five) days' written notice to the other Party.

27.2 The Party relying on the Interrupting Circumstances (on whom the onus rests) must –

27.2.1 give notice specifying the nature and date of commencement of the Interrupting Circumstances to the other Party as soon as reasonably possible after the commencement thereof; and

27.2.2 give notice of the cessation of the Interrupting Circumstances within 2 (two) days after such cessation.

27.3 No Party is obliged to comply with obligations that are suspended during the period that the Interrupting Circumstances prevail.

27.4 The Party whose performance is interrupted by the Interrupting Circumstances is entitled to extend the Term by a period equal to the time that its performance is so interrupted, provided that such Party gives notice to that effect as provided above.

27.5 In this Agreement, *vis major* and *force majeure* -

27.5.1 include acts or omissions of any government or similar authority, any law or regulatory provision having the force of law, civil strife, riots, insurrection, sabotage, acts of war or public enemy, prohibition of exports, rationing of supplies, flood, storm, fire, epidemics or (without limitation *eiusdem generis*) any other circumstances beyond the reasonable control of the Party claiming *force majeure* or *vis major* and comprehended in the terms *force majeure* or *vis major*, provided that labour disputes (including, without limitation, strikes, go-slows or lockouts) are not included as events *vis major* or *force majeure* except to the extent that any such labour disputes delaying or preventing the affected Party's performance take place in the Republic of South Africa and are countrywide and industry-wide; but

27.5.2 exclude any lack of authorisation, licence, permit or approval necessary for the performance of an obligation under this Agreement.

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## 28. DOMICILIA CITANDI ET EXECUTANDI

28.1 The Parties choose as their *domicilia citandi et executandi* for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature (including the exercise of any option), the following addresses:

### 28.1.1 Department:

Physical: Imbumba House  
75 Fox Street  
Johannesburg

Postal: Private Bag X12  
Marshalltown  
2107

**For attention: The Head: Gauteng Provincial Treasury**

### 28.1.2 Service Provider:

Physical:

Postal:

**For attention:**

28.2 Either Party may by notice to the other Party change the physical or postal address chosen as its *domicilium citandi et executandi* to another physical or postal address in the Republic of South Africa, provided that the change becomes effective on the 14th (fourteenth) working day from the deemed receipt of the notice by the other Party.

## 29. NOTICE

29.1 Any notice or communication required or permitted to be given in terms of this Agreement is valid and effective only if in writing.

29.2 A notice delivered by hand to a Party during ordinary business hours at the physical address chosen as its *domicilium citandi et executandi* is deemed to have been received on the day of delivery.

Initials: \_\_\_\_\_ Department \_\_\_\_\_ Service Provider

- 29.3 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party is adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

### 30. GOVERNING LAW

This Agreement is governed by and interpreted in accordance with the law of the Republic of South Africa.

### 31. RELATIONSHIP OF THE PARTIES

The Parties' relationship is that of independent contracting Parties and is governed by this Agreement. Nothing in this Agreement is intended, nor may be interpreted or deemed to constitute any Party to be a partner, employee, agent or representative of the other Party. It is not the intention of the Parties to create, nor may this Agreement be construed to create any commercial or other partnership. No Party may act for or assume any obligation or responsibility on behalf of the other Party without the latter's prior written consent. No Party may hold itself out as a partner of the other Party.

### 32. SEVERABILITY

Any provision in this Agreement which is illegal, invalid or unenforceable is ineffective to the extent of such prohibition or unenforceability and must be treated *pro non scripto* and severed from the balance of this Agreement, without invalidating the remaining provisions of this Agreement.

### 33. ASSURANCE THAT THIS AGREEMENT IS BINDING

- 33.1 The Parties warrant to each other that they have taken or caused to be taken all steps, actions and corporate proceedings necessary to cause this Agreement to be binding on themselves.
- 33.2 A Party must, if requested by the other Party, furnish to the latter sufficient evidence of the authority of a person who takes any action or executes any documents under this Agreement on behalf of the Party so requested.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
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**34. GENERAL**

- 34.1 This Agreement constitutes the whole agreement between the Parties.
- 34.2 No amendment, consensual cancellation of this Agreement or settlement of any dispute arising under this Agreement, is binding unless recorded in a written document that clearly specifies the intention to amend, cancel or settle and signed by a duly authorised representative of each Party.
- 34.3 No extension of time, waiver, relaxation, suspension of or discharge from any provision of this Agreement is binding unless recorded in a written document that clearly specifies the intention to extend, waive, relax, suspend or discharge and signed by the Party granting such extension, waiver, relaxation, suspension or discharge. Any extension, waiver, relaxation, suspension or discharge must be construed as relating strictly to the matter in respect whereof it was given.
- 34.4 An extension of time, waiver, relaxation or suspension of any provision of this Agreement does not operate as an estoppel against any Party in respect of its rights under this Agreement, nor does it operate so as to preclude such Party thereafter from exercising its rights strictly in accordance with this Agreement.
- 34.5 The Service Provider's Broad-based Black Economic Empowerment (BBBEE) status will be monitored on a bi-annual basis and should it be found to be unsatisfactory, the Service Provider must rectify its BBBEE status within a reasonable period, failing which this Agreement may be terminated.
- 34.6 Each Party must pay its own cost pertaining to the negotiation, drafting and execution of this Agreement.

Initials:      \_\_\_\_\_      \_\_\_\_\_  
                 Department      Service Provider

**SIGNED ON BEHALF OF EACH PARTY AS FOLLOWS:**

SIGNED AT JOHANNESBURG, REPUBLIC OF SOUTH AFRICA ON

THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021

FOR AND BEHALF OF:

**THE SERVICE PROVIDER**\_\_\_\_\_  
(NAME AND SURNAME)\_\_\_\_\_  
(ID NUMBER)\_\_\_\_\_  
(DESIGNATION)\_\_\_\_\_  
(SIGNATURE)

SIGNED AT JOHANNESBURG, REPUBLIC OF SOUTH AFRICA ON

THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021

FOR AND BEHALF OF:

**THE DEPARTMENT**\_\_\_\_\_  
(NAME AND SURNAME)\_\_\_\_\_  
(PERSAL NUMBER)\_\_\_\_\_  
(DESIGNATION)\_\_\_\_\_  
(SIGNATURE)

Initials:

\_\_\_\_\_  
Department\_\_\_\_\_  
Service Provider