



an agency of the
Department of Arts and Culture

ROBBEN ISLAND MUSEUM



RIM FIN 01-2017/2018

**APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY (TMC) TO
PROVIDE TRAVEL MANAGEMENT SERVICES TO ROBBEN ISLAND
MUSEUM (RIM) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.**

Ms. PN Madikane

Unit Manager: Supply Chain Management

22 September 2017

Signature:



an agency of the
Department of Arts and Culture



CHECKLIST OF COMPULSORY RETURNABLE SCHEDULES AND DOCUMENTS

Please adhere to the following instructions

- Tick in the relevant block below, the documents and schedules that form part of your response.
- Ensure that the following documents are completed and signed where applicable:
- Use the prescribed sequence in attaching the annexes that bidder may be disqualified on the basis of non-compliance/ non-responsiveness.

YES	NO	THE BID / REQUEST FOR QUOTATION RETURNABLE SCHEDULE OR DOCUMENT
<input type="checkbox"/>	<input type="checkbox"/>	Checklist of Compulsory Returnable Schedules and Documents
<input type="checkbox"/>	<input type="checkbox"/>	Instruction to BIDDERS (signed)
<input type="checkbox"/>	<input type="checkbox"/>	Proposal Document
<input type="checkbox"/>	<input type="checkbox"/>	SBD 1: Invitation to Bid (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 2: Tax Clearance Status (registered on the Central Supplier Database)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 3.3 Pricing Schedule (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 4: Declaration of Interest (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 6.1: Preference Claim Forms in terms of Preferential Procurement Regulations AND accredited and Valid B BBEE certificate. SBD 6.1 must be completed when claiming for B BBEE points. (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 8: Declaration of Bidder's Past Supply Chain Practices (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	SBD 9: Certificate of Independent Bid Determination (completed & signed)
<input type="checkbox"/>	<input type="checkbox"/>	Terms of reference (Specification)
<input type="checkbox"/>	<input type="checkbox"/>	General Conditions of Contract

INSTRUCTION TO TENDERERS

RIM FIN 01-2017/18

APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY (TMC) TO PROVIDE TRAVEL MANAGEMENT SERVICES TO ROBBEN ISLAND MUSEUM (RIM) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

1. INTRODUCTION

1.1 Robben Island Museum (RIM) invites all interested prospective service providers to submit proposals for rendering of travel management services to Robben Island Museum (RIM) for a period of thirty-six (36) months.

2. ALL TENDER CONDITIONS MUST BE STRICTLY ADHERED TO, FAILING WHICH, THIS TENDER SUBMISSION MAY BE DECLARED NON-RESPONSIVE.

2.1 This tender consists of these Instructions, the invitation to submit proposal/s for rendering of travel management services to Robben Island Museum (RIM) for a period of thirty-six (36) months.

2.2 Bidders are required to submit their tenders in a sealed envelope in which they have duly:

(a) Completed all forms; and

(b) Included all other necessary and/or desirable documents in support of their bids.

2.3 The complete tender document should be returned in its entirety, with each page initialed by the authorised signatory and a witness.

2.4 Any portion of the tender document not completed maybe interpreted as "not applicable" where appropriate.

2.5 Tenders must be properly received and deposited in the tender box on or before the closing date 18 October 2017 and before the closing time of 11H00 am at Robben Island Museum, Nelson Mandela Gateway Building, V & A Waterfront, Cape Town.

2.6 RIM reserves:

(a) The right to accept the whole tender or part of a tender or any item or part of any item or accept more than one tender (in the event of a number of items being offered);

(b) The right not to accept the lowest or any tender;

3. RIM shall not consider tenders, which are received after the closing date and time for such a tender.
4. RIM will not be held responsible for any expenses incurred by bidders in preparing and submitting tenders.
5. RIM may, after the closing date, request additional information or clarification of bidders in writing.
7. A bidder may request in writing and, after the closing date, that his/her tender be withdrawn and which withdrawal will be permitted or refused in the sole discretion of RIM after consideration of the reasons for the withdrawal, which shall be set out by the bidder in the written request for withdrawal.
8. RIM's representative for the purpose of this tender shall be:
 - (a) Ms. Z. Mkubukeli at telephone 021 413 4246 in respect of matters relating to the Terms of Reference; and
 - (b) Enquiries pertaining to the completion of the tender documents can be addressed to Ms. P. Madikane at telephone (021) 413- 4265/08.
9. Joint Ventures/ Consortiums
 - 9.1 In the case of Joint Ventures/Consortiums, a copy of the Joint Venture agreement must be submitted with the tender document.
10. Validity Period
 - 10.1 Any tender submitted shall remain valid, irrevocable and open for written acceptance by RIM for a period of sixty (60) days from the closing date.
11. Bidders must be registered on the Central Supplier Database (CSD).
 - 11.1 RIM shall reject a bid from an entity whose tax matters have not been declared by the South African Revenue Service (SARS) to be in order.
 - 11.2 If bidders are not registered yet on the CSD, they must follow the following link <https://secure.csd.gov.za/Account/Register> in order to register.
 - 11.3 It is the responsibility of the successful bidder/s to ensure that that the tax matters with SARS are in order.
 - 11.4 Each party to a joint venture / consortium / partnership must comply with all of the above.

12 B-BBEE

12.1 Each bidder must submit a certificate issued by an accredited B-BBEE verification agency or an affidavit, indicating its B-BBEE rating in terms of the relevant B-BBEE scorecard.

12.2 For Consortiums / Joint Ventures / or Sub-contracting arrangements, the bidder must also submit a combined B-BBEE certificate issued by an accredited B-BBEE verification agency.

13. Due Diligence of bidder

13.1 RIM reserves the right to conduct a due diligence investigation prior to the final award of the contract or at any time during the contract.

14. Inducements, rewards, gifts and other abuses of the Supply Chain Management System is prohibited, and:

(a) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may directly or indirectly, through a representative or intermediary promise, offer or grant;

(i) Any inducement or reward to RIM for or in connection with the award of a contract; or

(ii) Any reward, gift, favour or hospitality to any official or any other role player involved in the implementation of the supply chain management policy;

(b) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may directly or indirectly

(i) influence or interfere with the work of any RIM official(s) involved in the tender process in order to *inter alia*:

(ii) influence the process and/or outcome of a bid;

(iii) incite breach of confidentiality and/or the offering of bribes;

(iv) cause over and under invoicing;

(v) influence the choice of procurement method or technical standards; and

(vi) influence any RIM official(s) in any way which may secure an unfair advantage during or at any stage of the procurement process.

(d) Abuse of the RIM's supply chain management system is not permitted and may result in the tender being rejected, the cancellation of the contract, the

“blacklisting” of the bidder by RIM against participation in any future bid processes and any other remedy permitted in law.

15. Declarations and authorisation

15.1 Bidder are required to complete all declarations and authorisations in the schedules attached hereto, failing which the tender may be disqualified.

16. Alternative offers

16.1 Alternative offers may be considered, provided that an offer free of qualifications and strictly in accordance with the bid documents is also submitted. RIM shall not be bound to consider alternative tenders.

EVALUATION CRITERIA

1. Invalid Tenders

1.1 Tenders shall be endorsed and may be recorded as potentially invalid in the tender opening record by the RIM responsible official in the following instances:

- (i) if the tender is not sealed;
- (ii) if the tender is not completed in non-erasable ink;

2. Non-Responsive Tenders

2.1 Valid tenders will be declared non-responsive and eliminated from further evaluation if:

- (a) The bidder has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act, 12 of 2004 or has been listed on National Treasury's database as a person prohibited from doing business with the public sector;
- (b) The bidder has failed to complete and/or sign the required declarations and/or authorisations; and

3. Disqualified Tenders

3.1 The tender will be disqualified and eliminated from further evaluation if it fails to adhere to a written request (within the specified period set out in such request) to:

- (a) Comply with one or more of the provisions contained in the Instruction to bidders;
- (b) Comply with any other terms and conditions of the tender documentation after being called upon to do so;

4. Directions and Closing Date for Submission of Bids

4.1 Directions: Cape Town, Waterfront: Nelson Mandela Gateway building next to Clock Tower building.

4.2 CLOSING DATE FOR SUBMISSION OF BIDS: 18 OCTOBER 2017 AT 11H00 AM.



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TERMS OF REFERENCE FOR:

Appointment of a Travel Management Company (TMC) to provide Travel Management Services to Robben Island Museum (RIM) for a period of thirty-six (36) months.

1. INTRODUCTION

RIM hereby invites experienced, reputable, capable, effective and suitably qualified Travel Management Companies (TMC) to submit proposals for the provision of travel management services.

2. PURPOSE

Robben Island Museum's primary objective in issuing this Request for Proposal (RFP) is to enter into agreement with a successful bidder(s) who will achieve the following:

- a) Provide RIM with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;
- b) Achieve significant cost savings for RIM without any degradation in the services;
- c) Appropriately contain RIM's risk and traveller's risk.

3. SCOPE OF WORK

3.1 Background

Robben Island Museum (RIM) currently uses Trigon Travel to manage the travel requisition and travel expense processes within the travel management lifecycle. The travel requisition process is currently a semi-automated process. The travel requisition is manually captured on forms that go through a manual authorisation approval procedure and are then forwarded to the RIM's travel co-ordinator. The RIM's travel co-ordinator captures the requisition into an RFQ Form which goes through an approval workflow process and then through to the travel management company for travel booking.

3.2 Travel Volumes

The current RIM's total volumes per annum include air travel, accommodation, car hire, conference, etc. The table below details the number of transactions for the FY 2016/2017 as follows:

Service Category	Estimated Number of Transactions per annum	Estimated Expenditure per annum
Air travel – Domestic	684	R 2 544 131.11
Air Travel - Regional & International	47	R 337 658,88
Car Rental – Domestic	498	R 617 110.00
Shuttle Services - Domestic	484	R31 977.00
Accommodation – Domestic & Conferencing	416	R 1 151 914.38
Bus/Coach bookings	32	R 118 186.00
GRAND TOTAL	2161	R 4 800 977.37

Note: These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal

3.3 Service Requirements

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation, the following:

- a) The travel services will be provided to all travellers travelling on behalf of RIM, locally and internationally. This will include employees, contractors, consultants and clients where the agreement is that RIM is responsible for the arrangement and cost of travel.
- b) Provide travel management services during normal office hours (Monday to Friday 8h00 – 17h00) and provide after hours and emergency services as stipulated in paragraph 3.4.
- c) Familiarisation with RIM's current travel business processes.
- d) Negotiate better deals with travel service providers for the benefit of RIM.
- e) Familiarisation with current RIM's Travel Policy and implementations of controls to ensure compliance.
- f) Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- g) Provide a facility for RIM to create and update their travellers' profiles.

- h) Manage the third party service providers by addressing service failures and complaints against these service providers.
- i) Consolidate and reconcile all invoices from travel suppliers.
- j) During reporting period, the TMC must provide proof that negotiated rates were booked, where applicable.

4. Reservations

The Travel Management Company will:

- a) Receive travel requests from travellers and/or travel co-ordinators; respond with quotations, availability and confirmation. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel co-ordinators and traveller via the agreed communication medium.
- b) Always endeavour to make the most cost effective travel arrangements based on the request from the traveller and/or travel co-ordinators.
- c) Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the traveller of alternative plans that are more cost effective and more convenient where necessary.
- d) Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits. Service Providers are required to always book negotiated and discounted rates where possible.
- e) Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by RIM are **non-commissionable**; where commissions are earned for RIM bookings, all these commissions must be returned to RIM on a quarterly basis.
- f) Must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- g) Where required, book parking facilities at the airports for the duration of the travel.
- h) Respond timely and process all queries, requests, changes and cancellations timeously and accurately.
- i) Must be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)
- j) Must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times. Ensure confidentiality in respect of all travel arrangements.

- k) Advise the Traveller of all visa and inoculation requirements well in advance. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- l) Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- m) Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- n) Facilitate the bookings that are generated through their own Online Booking Tool (OBT) where it can be implemented.
- o) All Travelling bookings include domestic, regional and international.
- p) Submit proof that services have been satisfactorily delivered

4.1 Air Travel

- a) The TMC must be able to book full service carriers as well as low cost carriers.
- b) The TMC will book the most cost effective airfares possible for domestic travel.
- c) For international flights, the airline which provides the most cost effective and practical routings may be used.
- d) The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the traveller.
- e) The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the traveller (if applicable).
- f) Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel co-ordinators promptly after booking before the departure times.
- g) The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- h) During their reporting period, the TMC must provide proof that bookings were made in accordance with discounted rates where applicable.
- i) Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- j) Assist with lounge access if and when required.

4.2 Accommodation

- a) The TMC will obtain price comparisons from accommodation establishments which are located within close proximity within the maximum rate matrix as per the cost containment instruction of the National Treasury.
- b) The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is

located as close as possible to the venue or office or location or destination of the traveller. This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with RIM's travel policy.

- c) The TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or RIM.
- d) Accommodation vouchers must be issued to all RIM travellers for accommodation bookings and must be invoiced to RIM as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.
- e) Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

4.3 Car Rental and Shuttle Services

- a) The TMC will book the approved category vehicle in accordance with the RIM's Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).
- b) The travel consultant should advise the traveller on the best time and location for collection and return considering the traveller's specific requirements.
- c) The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.
- d) For international travel, the TMC may offer alternative ground transportation to the traveller that may include rail, buses and transfers.
- e) The TMC will book transfers in line with the RIM's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- f) The TMC should manage shuttle companies on behalf of RIM and ensure compliance with minimum standards. The TMC should negotiate better rates with relevant shuttle companies.

4.4 After Hours and Emergency Services

- a) The TMC must provide a consultant or team of consultants to assist travellers with after hours and emergency reservations and changes to travel plans. In addition, a dedicated consultant/s must be available to assist with after hour or emergency assistance, this include weekends and Public Holidays.

- b) A call centre facility or after hours contact number should be available to RIM so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- c) The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

4.5 Communication

- a) The TMC may be requested to conduct workshops and training sessions for Travel co-ordinators of RIM.
- b) All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.
- c) The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel co-ordinator, travel Management Company in one smooth continuous workflow.

4.6 Financial Management

- a) The TMC must implement the rates negotiated for RIM with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- b) The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to RIM for payment within the agreed time period.
- c) Enable savings on total annual travel expenditure and this must be reported and proof provided during monthly and quarterly reviews.
- d) The TMC will be required to offer a 30-day payment account facility.
- e) Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- f) The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to RIM's Financial Department on the agreed time period (e.g. weekly, monthly, etc.). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider payment report.
- g) Ensure Travel Supplier accounts are settled timeously.

h) Quarterly reviews are required to be presented by the Travel Management Company on all RIM travel activity in the previous three-month period. These reviews are comprehensive and presented to RIM's Procurement and Finance teams as part of the performance management reviews based on the service level agreement. These Travel Reviews will include without limitation the following information:

- (i) Employees travelling on the same engagements
- (ii) Domestic air travel upfront discounted fares
- (iii) Flights exceeding five (5) hours
- (iv) Domestic Accommodation
- (v) Vehicle hire (car rental)

4.7 Technology, Management Information and Reporting

- a) The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- b) The implementation of an Online Booking Tool to facilitate domestic, regional and international bookings should be used to optimise the services and related fees.
- c) All management information and data input must be accurate.
- d) The TMC will be required to provide RIM with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost. RIM may request the TMC to provide additional reports. These reports must be available in an electronic format at no cost.

The reporting templates can be found on

<http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountantGeneral.aspx>

- e) Reports must be accurate and be provided as per RIM's specific requirements at the agreed time. Information must be available on a transactional level that reflect details including the name of the traveller, date of travel and spend category (example air travel, shuttle, accommodation, etc.).
- f) Reports must be available in a Microsoft electronic format.
- g) Service Level Agreement reports must be provided on the agreed date. They will include but not be limited to the following:

Travel

- i. After hours' Report;
- ii. Compliments and complaints;
- iii. Consultant Productivity Report;

- iv. Long term accommodation and car rental;
- v. Extension of business travel to include leisure;
- vi. Upgrade of class of travel (air, accommodation and ground transportation);
- vii. Bookings outside Travel Policy.
- viii. Exception report

Finance

- i. Reconciliation of commissions/rebates or any volume driven incentives;
- ii. Creditor's ageing report;
- iii. Creditor's summary payments;
- iv. Daily invoices;
- v. No show report;
- vi. Cancellation report;
- vii. Receipt delivery report;
- viii. Monthly statements with disputed invoices indicated separately.
- ix. Refund Log;
- x. Open voucher report, and
- xi. Open Age Invoice Analysis.

h) The TMC will implement appropriate controls, policies, procedures and all the necessary processes and programs to ensure that data is secure at all times and not accessible by any unauthorised parties.

4.8 Account Management

- a) Ensure that RIM's Travel Policy is enforced.
- b) An account management structure should be in place to respond to the needs and requirements of RIM for facilitating all matters with regard to delivery of services in terms of the contract.
- c) The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the RIM's account.
- d) The necessary processes should be implemented to ensure good quality management and ensuring traveller satisfaction at all times.
- e) A complaint handling procedure must be implemented to record, manage and resolve complaints of the TMC and other travel service providers.
- f) The Service Level Agreement (SLA) must be managed and customer satisfaction surveys conducted to measure the performance of the TMC.
- g) Ensure that workshops/training are provided to Travel co-ordinators.

4.9 Value Added Services

The TMC must provide the following value added services:

- a) Destination information for domestic, regional and international destinations:
 - i. Health warnings;
 - ii. Weather forecasts;
 - iii. Danger hotspot areas;
 - iv. Visa information;
 - v. Travel alerts;
 - vi. Location of hotels and restaurants;
 - vii. Information including the cost of public transport;
 - viii. Rules and procedures of the airports;
 - ix. Emergency contact numbers for international travelling;
 - x. Airline baggage policy; and
 - xi. Supplier updates
- b) Electronic voucher retrieval via web and smart phones;
- c) SMS notifications for travel confirmations;
- d) Travel audits;
- e) Global Travel Risk Management;

4.10 Cost Management

- a) The National Treasury cost containment initiative and the RIM's Travel Policy establish the basis for a cost savings culture.
- b) It is the obligation of the TMC Consultant to advise on the most cost effective option at all times; and costs should be within the framework of the National Treasury's cost containment instructions.
- c) The TMC should play a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.
- d) The TMC should have an in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with RIM's Travel Policy to ensure that the traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption.

4.11 Office Management

The TMC must ensure high quality service to be delivered at all times to RIM travellers. The TMC is required to provide RIM with high skills in the following but not limited to:

- a) Initiative;

- b) Reliability and discretion;
- c) Leadership and ability to make things happen;
- d) Communication and relationship management;
- e) Able to co-ordinate support services;
- f) Preparing reports and financial data;
- g) Customer relations;
- h) Time management

5. Compulsory Documents

- (a) Provide a detailed transition plan for implementing the service without service interruptions.
- (b) Submit three (3) written reference letters from three (3) different clients where the service provider has successfully completed work of a similar nature. Such referees must be contactable and the reference must be in the referee's letterhead.
- (c) The TMC must be a valid and registered member of ASATA (Association of South African Travel Agents). Proof of such membership must be submitted with the bid.

6. EVALUATION CRITERIA

This proposal will be evaluated in the following manner:

- (a) Phase 1: Evaluation process – Submission of compulsory proposal requirements by bidders and compliance to specification. Refer to paragraph 5.

The first phase of evaluation is checking and verification of all the mandatory documents to be submitted by the bidders and compliance to specification.

Bidders are required to comply with the bidder requirements mentioned above.

Certified copies or original documents will be accepted.

Companies that do not comply with the bid requirements may be regarded as non-responsive and may be disqualified.

- b) Phase 2: Pre-qualification phase in terms of the Functionality Criteria:

1. Bids will be strictly assessed according to the bid evaluation criteria stipulated in this Evaluation methodology. During this phase, a cut-off point of 80 points out of 100 points (for functionality) will be used in the process. A bidder must at least score 80 points or above in order to be progress to the next evaluation phase

2. Bidders must, as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. For meaningful evaluation, bidders must substantiate information provided under functionality criteria.

3. All proposals received will be subjected to assessment based on the criteria as set out in the functionality criteria.

4. Bidders that do not score the minimum benchmark may be regarded as non-responsive and may be disqualified.

FUNCTIONALITY CRITERIA

#	TECHNICAL EVALUATION CRITERION	WEIGHT	REFERENCE IN BID DOCUMENT	REFERENCE PAGE IN BIDDERS PROPOSAL	COMMENTS
				TO BE COMPLETED BY THE BIDDER	
1.	RESERVATIONS	40	SECTION 4.2		
1.1	<p>Manage airline reservations.</p> <p>Describe in detail the process of booking the most cost-effective and practical routing for the traveller e.g.</p> <ul style="list-style-type: none"> - Refund process - How you manage the unused non-refundable airline tickets, - Special meals and - Travellers with disabilities etc 	<p>5</p> <p>5</p> <p>5</p> <p>5</p>	Section 4.2		
1.2	<p>After-hours and emergency services</p> <p>Please provide details/ Standard Operating Procedure of your after-hour support and contact details.</p>	20	Section 4.3		

2	COMMUNICATION	20	SECTION 4.4		
2.1	Describe how you will ensure that travel co-ordinators are informed of the travel booking processes.	10	Section 4.4		
2.2	Describe your communication process where the traveller, travel co-ordinator and travel management company will be linked in one smooth continuous work-flow.	10			
3	FINANCIAL MANAGEMENT	20	SECTION 4.5		
3.1	Describe how you will implement the negotiated rates and maximum allowable rates established by National Treasury.	5	Section 4.5.		
	Describe how you will manage the 30-day payment account facility.	5			
	Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities.	5			

	Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to RIM	5			
4	TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING	10	SECTION 4.6		
4.1	Describe how you will manage data information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, transaction level data, etc.	10	Section 4.6		
5	ACCOUNT MANAGEMENT	10	SECTION 4.7		
5.1	How will you manage the service levels and how will you conduct customer satisfaction surveys?	10	Section 4.7		

Total Maximum Points	100	
Total Minimum Threshold	80	

c) Phase 3: Price and Preference Procurement Points System

Application of price and preference points (Please attach an updated B-BBEE certificate/affidavit stating the BEE status level in order to claim points for B-BBEE status level)

The new Preferential Procurement Policy Framework Act 2000 (PPPFA) Preferential Procurement Regulations were gazetted on 20 January 2017 (No. 40553) and effective from 1 April 2017. These regulations require the bidder to submit proof of its B-BBEE status level of contributor. The 80/20 preference point (80 for price and 20 for B-BBEE status contribution) system will be applied in accordance with the formula and applicable points provided for in the perspective status level contributor table in the Regulations.

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- a. Failure to capture the required status level on the SBD 6.1 and to submit the required B-BBEE status level certificate will lead to a zero (0) B-BBEE Status level contribution.
- b. The points scored by the bidder in respect of the points indicated above will be added to the points scored for price.
- c. Bidders are requested to complete the various preference claim forms in order to claim preference points.

- d. Only bidders who has completed and signed the declaration part of preference claim form will be considered for B-BBEE status.
- e. Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regards to B-BBEE status.
- f. Points scored will be rounded off to the nearest 2 decimals.
- g. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.
- h. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

The following breakdown and weighting will apply with regards to application of point for price and points for BEE status level:

	BREAKDOWN	WEIGHT
(i)	Points for BEE status level	20
(ii)	Points for Price	80
	Total Points	100

6. Costing

- a) RIM requires bidders to propose transactional fee model. The transaction fee must be a fixed amount per transaction type. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.
- b) RIM requires bidder to complete the following:
 - (i) Annexure A for costing - Off-site transactional fee
 - (ii) Annexure B – Price Declaration

7. Volume driven incentives

- a) It is important for bidders to note the following when determining the pricing:
 - i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;
 - ii. No override commissions earned through RIM reservations will be paid to the TMC.
 - iii. An open book policy will apply and any commissions earned through the RIM volumes must be reimbursed to RIM.
 - iv. TMC must book the negotiated rates or the best fare available, whichever is the most cost effective.

8. ENQUIRIES

For any technical enquiries, please contact: **Ms. Z. Mkubukeli** at **021 413 4246** or email at: **ZaneleM@robben-island.org.za**

For any Supply Chain Management enquiries, please contact: **Ms. P. Madikane** at **021 413 4265**.

7. BRIEFING SESSION & CLOSING DATE

Compulsory Briefing Session: 04 October 2017, Wednesday, by 11h00 a.m.

Closing Date: 18 October 2017, Wednesday, by 11h00 a.m.



**an agency of the
Department of Arts and Culture**

INFORMATION ON COMPULSORY BRIEFING SESSION

Please note that Briefing Session is COMPULSORY

Compulsory Briefing Session will be held as follows:

Date: Wednesday, 04 October 2017

Time: 11h00am

Venue: Robben Island Museum (Auditorium)

Nelson Mandela Gateway,

V & A Waterfront,

CAPE TOWN

South Africa

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE ROBBERN ISLAND MUSEUM

BID NUMBER: RIM FIN 01-2017/2018 CLOSING DATE: 18 OCTOBER 2017 CLOSING TIME: 11:00AM

APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY (TMC) TO PROVIDE TRAVEL MANAGEMENT SERVICES TO ROBBERN ISLAND MUSEUM (RIM) FOR A PERIOD OF THIRTY-SIX (36) MONTHS

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

BID DOCUMENTS MAY BE POSTED TO:

Robben Island Museum, Nelson Mandela Gateway building, Tender Box, V & A Waterfront, Cape Town, 8002

OR

DEPOSITED IN THE BID BOX SITUATED AT: Tender Box, Robben Island Museum, Nelson Mandela Gateway Building, V & A Waterfront, Cape Town, 8002

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

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

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

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

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODENUMBER.....

E-MAIL ADDRESS

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); R.....

A REGISTERED AUDITOR

[TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES or

NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER

DATE.....

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

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

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Supply Chain Management

Contact Person: Ms. PN. Madikane

Tel: 021 413 4265/08

E-mail address: PatM@robben-island.org.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Department: Supply Chain Management

Contact Person: Ms. Z. Mkubukeli

Tel: 021 413 4246

E-mail address: Zanelem@robben-island.org.za

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: RIM FIN 01-2017/2018
CLOSING TIME 11:00	CLOSING DATE: 18 OCTOBER 2017

APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY (TMC) TO PROVIDE TRAVEL MANAGEMENT SERVICES TO ROBBEN ISLAND MUSEUM (RIM) FOR A PERIOD OF THIRTY-SIX (36) MONTHS

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

1. The accompanying information must be used for the formulation of proposals.
2. Robben Island Museum requires bidders to propose transactional fee model. The transaction fee must be a fixed amount per transaction type. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.
 - a) RIM requires bidder to complete the following:
 - i. Annexure A for costing - Off-site transactional fee
 - ii. Annexure B – Price Declaration
3. Volume driven incentives
 - a. It is important for bidders to note the following when determining the pricing:
 - i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;
 - ii. No override commissions earned through RIM reservations will be paid to the TMC.
 - iii. An open book policy will apply and any commissions earned through the RIM volumes must be reimbursed to RIM.
 - iv. TMC must book the negotiated rates or the best fare available, whichever is the most cost effective.
3. Price must include all applicable taxes and VAT and must be indicated in ZAR. Price must also include all costs as there will be no additional costs entertained.

Any enquiries regarding bidding procedures may be directed to the –

Ms. P Madikane
SUPPLY CHAIN MANAGEMENT UNIT
ROBBEN ISLAND MUSEUM
Suite 204, Level 2
Clock Tower Building
V & A Waterfront
Cape Town
Tel: 021 413 4265/08
Email: patm@robben-island.org.za

Or for technical information –

Ms. Z. Mkubukeli
Tel: 021 413 4246
Email: Zanelem@robben-island.org.za

**PRICING SUBMISSION**

RFP NO:

RIM FIN 01-2017/2018

RFP NAME:

THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 24 MONTHS

BIDDER NAME

<NAME OF BIDDER TO BE FILLED IN HERE>

PRICE INSTRUCTIONS**1. STRUCTURE OF THE TENDER**

This spreadsheet for RFP/BID RIM FIN 01-2017/2018 contains the financial response templates for the bid. The bid pricing submission instructions in this document must be read in conjunction with instructions or notes embedded in the various tabs of spreadsheet (Pricing Schedule).

2. GENERAL INSTRUCTIONS FOR COMPLETING THE PRICING SCHEDULE TEMPLATES**2.1 Tender submission format**

- 2.1.1 Bidders must submit a paper copy and an electronic copy of the Pricing Schedule. In the event of a discrepancy, the paper copy will prevail.
- 2.1.2 Bidders must sign all paper copies of their Pricing Schedule.
- 2.1.3 Bidders must complete and submit the templates attached, which is/are management fee model onsite and offsite, transactional fee model onsite and offsite
- 2.1.4 Bidders must reference RFP/BID main document section 15.2 for current travel volumes.

2.2 Input spreadsheets

- 2.2.1 The Pricing Schedule templates are contained within the one (1) Excel Workbook
- 2.2.2 Bidders must not make any changes to the spreadsheets or change the formatting of the Pricing Schedule.
- 2.2.3 Cells are formatted to automatically indicate South African Rands, ordinary text fields and percentages (%) where applicable.
- 2.2.4 Input cells FOR BIDDERS are highlighted in GREEN. The Bidder must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.
- 2.2.4 Input cells FOR THE TENDERING INSTITUTION are highlighted in ORANGE. The Tendering Institution must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.

2.3 Currency and VAT

- 2.3.1 All Bidders' pricing must be quoted in South African Rands (ZAR).
- 2.3.3 The Pricing Schedule template is designed such that VAT will be calculated on Bidders' input pricing; therefore Bidders must complete the templates with **unit prices excluding VAT**.



RFP NO:	RIM FIN 01-2017/2018
RFP NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	<NAME OF BIDDER TO BE FILLED IN HERE>

1.1 TRANSACTION FEES

ITEM	Transaction Type	Traditional Bookings	Online bookings
		TOTAL Price (incl VAT)	TOTAL Price (incl VAT)
1	Air Travel – International		
2	Air Travel – Regional		
3	Air Travel – Domestic		
4	Air Travel – International (Re-issue)		
5	Air Travel – Regional (Re-issue)		
6	Air Travel – Domestic (Re-issue)		
7	Refunds – Air Domestic		
8	Refunds – Air Regional		
9	Refunds – Air International		
10	Car Rental – Domestic		
11	Car Rental – Regional		
12	Car Rental – International		
13	Transfers/Shuttle – Domestic		
14	Transfers/Shuttle – Regional		
15	Transfers/Shuttle – International		
16	Accommodation – Domestic		
17	Accommodation – Regional		
18	Accommodation – International		
19	Bus/Coach Bookings		
20	Train bookings – International		
21	Visa Assistance (Provision of documents and advice)		
22	Courier services for travel documentation (visa & passports)		
23	Parking bookings		
24	Cancellations		
25	Changes to bookings		
26	After Hours Services		
27	Conference Transaction Fee		
28	Additional Exception Reports (per report)		
29	Customised Reports (per report)		
30	Debtors Account Reconciliation		
31	Other (Specify)		
Sub-Total Year 1			
Year 2% Increase			
Year 3% Increase			
Grand Total for 3 Years (Price that will be used for evaluation purposes)			



Annexure B

RFP NO:	RIM FIN 01-2017/2018
RFP NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	<NAME OF BIDDER TO BE FILLED IN HERE>

Price Declaration

Dear Sir/Madam,

Having read through and examined the Request For Proposal (RFP) Document, the General Conditions, The Requirement and all other Annexures to the RFP Document, we offer to provide OFF-SITE travel management service to the Robben Island Museum at the following total amount (including VAT)

Grand Total for 3 Years

R	(Incl. VAT)	
----------	--------------------	--

In words:

We undertake to hold this offer open for acceptance for a period of 180 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of service when required to do so by the Robben Island Museum.

We understand that Robben Island Museum are not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance not to divulge to any persons, other than the persons to which the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

Signature: _____

Signature: _____

Print name of signatory:

Designation:

FOR AND ON BEHALF OF: COMPANY NAME

Tel No:

Fax No:

Cell No:

Email:

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder², member):
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
.....

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

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

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

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

.....

4 DECLARATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

November 2011

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

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

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

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: _____ = _____ (maximum of 20 points)

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

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

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

(Tick applicable box)

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

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

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

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;

- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

4.4.1	If so, furnish particulars:
-------	-----------------------------

SBD 8

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

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

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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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.treasurv.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

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)