



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF EMPLOYMENT AND LABOUR
MINIMUM REQUIREMENTS CONTRACT
SECURITY SPECIFICATION**

**LIM01-2022/2023 CAPRICORN
CLUSTER**

**PROVINCIAL OFFICE, POLOKWANE LABOUR CENTRE,
SESHEGO LABOUR CENTRE AND LEBOWAKGOMO LABOUR
CENTRE**

DURATION: 36 MONTHS

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

ALL PAGES MUST BE COMPLETED AND SIGNED (WHERE SIGNATURE IS APPLICABLE) BY THE BIDDER

1. LIST OF DOCUMENTS TO BE SUBMITTED WITH THE BID DOCUMENT

1.	COID Letter of good standing within validity period/tender letter.
2.	Certified ID copy of the owner/ director of the company not older than 6 months.
3.	Valid PSIRA certificates for the owner of the company and for the company.
4.	Valid PSIRA good standing certificate.
5.	A fully completed, initialled and signed tender document.
6.	Company Profile
7.	Recent CSD report

2. DURATION AND CONDITIONS OF THE BID

2.1 DURATION

This agreement shall start upon the commencement date and shall endure for a period of **36 months** and automatically terminate on the termination date by effluxion of time, unless terminated earlier in terms of the provisions of the Service Level Agreement.

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

3. REQUIREMENTS		
ITEM NO.	DESCRIPTION	
3.1	PROVINCIAL OFFICE: POLOKWANE	
3.1.1	Rendering of Security Service for a period of 36 months on the following premises: 42A Schoeman Street, Polokwane, 0699	
3.1.2	Item	Number
3.1.2.1	Security Officer – Grade C unarmed Day Shift (Monday to Sunday: 06h00 – 18h00)	5
	Security Officers Grade C unarmed Night Shift (Monday to Sunday: 18h00 – 06h00)	2
3.1.3	Security aids	
3.1.3.1	(a) Portable hand held 2 way radios (to be programmed to successful bidder's frequency)	2
	(b) Firearms	Not required
	(c) Torches (Re-chargeable)	2
	(d) Handheld metal detector	2
	(e) Batons	5
	(f) Pocket books and pens (each per security officer)	7
	(g) Handcuffs	5
	(h) Serviceable cellular phones with sufficient	1

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

	airtime and camera.	
	(i) Pepper spray	5
	(j) Whistle	5
	(k) Occurrence book to be provided for the period of contract	1 at all times
	(l) Monitoring system: Patrol point (Install, manage and maintain Monitoring system)	9 points hourly

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

ITEM NO.	DESCRIPTION	
3.2	POLOKWANE LABOUR CENTRE	
3.2.1	Rendering of Security Services for a period of 36 months on the following premises: 99 Landros Mare Street, Polokwane, 0699	
3.2.2	Item	Number
3.2.2.1	Security Officer-Grade C unarmed Day Shift (Monday to Sunday: 06h00-18h00)	3
	Security Officer-Grade C unarmed Night Shift (Monday to Sunday: 18h00-06h00)	2
3.2.3	Security aids	
3.2.3.1	(a) Portable hand held 2 way radios (to be programmed to successful bidder's frequency)	2
	(b) Firearms	Not required
	(c) Torches (Re-chargeable)	2
	(d) Handheld metal detector	2
	(e) Batons	3
	(f) Pocket books and pens (each per security officer)	5
	(g) Handcuffs	3
	(h) Serviceable cellular phones with sufficient airtime and camera	1
	(i) Pepper spray	3

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

	(j) Whistle	3
	(k) Occurrence book to be provided for the period of contract	1 at all times
	(l) Monitoring system: Patrol point (Install, manage and maintain Monitoring system)	6 points hourly

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

ITEM NO.	DESCRIPTION	
3.3	SESHEGO LABOUR CENTRE	
3.3.1	Rendering of Security Services for a period of 36 months on the following premises: No. 4004 Nelson Mandela Drive, 0742	
3.3.2	Item	Number
3.3.2.1	Security Officer-Grade C unarmed Day Shift (Monday to Sunday: 06h00-18h00)	2
	Security Officer-Grade C unarmed Night Shift (Monday to Sunday: 18h00-06h00)	2
3.3.3	Security aids	
3.3.3.1	(a) Portable hand held 2 way radios (to be programmed to successful bidder's frequency)	2
	(b) Firearms	Not required
	(c) Torches (Re-chargeable)	2
	(d) Handheld metal detector	2
	(e) Batons	2
	(f) Pocket books and pens (each per security officer)	4
	(g) Handcuffs	2
	(h) Serviceable cellular phones with sufficient airtime and camera	1
	(i) Pepper spray	2

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

	(j) Whistle	2
	(k) Occurrence book to be provided for the period of contract	1 at all times
	(l) Monitoring system: Patrol point (Install, manage and maintain Monitoring system)	4 points hourly

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

ITEM NO.	DESCRIPTION	
3.4	LEBOWAKGOMO LABOUR CENTRE	
3.4.1	Rendering of Security Services for a period of 36 months on the following premises: Thabamoopo Magistrate Complex	
3.4.2	Item	Number
3.4.2.1	Security Officer-Grade C unarmed Day Shift (Monday to Sunday: 06h00-18h00)	2
	Security Officer-Grade C unarmed Night Shift (Monday to Sunday: 18h00-06h00)	2
3.4.3	Security aids	
3.4.3.1	(a) Portable hand held 2 way radios (to be programmed to successful bidder's frequency)	2
	(b) Firearms	Not required
	(c) Torches (Re-chargeable)	2
	(d) Handheld metal detector	2
	(e) Batons	2
	(f) Pocket books and pens (each per security officer)	4
	(g) Handcuffs	2
	(h) Serviceable cellular phones with sufficient airtime and camera	1
	(i) Pepper spray	2

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

	(j) Whistle	2
	(k) Occurrence book to be provided for the period of contract	1 at all times
	(l) Monitoring system: Patrol point (Install, manage and maintain Monitoring system)	3 points hourly

4. OPERATIONS

4.1 Private Security Industry Regulatory Authority

- 4.1.1 The organisation and owners must be registered in terms of the Private Security Industry Regulatory Act (Act 56 of 2001).

As proof thereof, certified copies of valid registration certificates must be attached with the bid

- 4.1.2 All Security officers employed by the service provider to render service must be registered as Security Officers in terms of The Private Security Industry Regulatory Act (Act 56 of 2001)

4.2 Supervision of Emergency Assistance

- 4.2.1 The bidder must have a well-established and equipped with (24) hour security control room
- 4.2.2 The bidder must furnish details of equipment which is available in the security control room.

NB: The Department holds the right to inspect such control room.

- 4.2.3 The Supervisor and Security Officers are prohibited from reading documents or records in offices or the unnecessary handling thereof. No information concerning the state activities may be furnished to the public or media by the successful bidder or any of his/her employees
- 4.2.4 **No visitors will be allowed in the guard room, on the premises or in the vicinity of the guard room**
- 4.2.5 **All security personnel, Directors and the Company itself shall be subjected to vetting**
- 4.2.6 **Supervisor visit required at least once per shift.**

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

5. GENERAL

5.1 The following general requirements apply:

5.1.1 At all times Security Officers must present an acceptable image and appearance which implies, that they may not sit, lounge about, smoke, eat or drink while attending to employees of the Department and public

5.1.2 The Supervisors and Security Officers must at all times present a professional dedicated attitude. A professional dedicated attitude approach shall imply, inter alia, that there shall be no unnecessary arguments with visitors / staff or discourteous behaviour towards them

5.1.3 The Supervisors and Security Officers must be physically healthy and medically fit for the execution of their duties

5.1.4 The Department retains the right to ascertain from the Private Security Industry Regulatory Authority as to whether the Supervisors and Security Officers are in good standing with the Private Security Industry Regulatory Authority

5.2 Uniforms and identification

5.2.1 The successful bidder shall undertake to ensure that each member of his/her security personnel will at all times when on duty be fully equipped in respect of

- (a) A neat and clearly identifiable uniform of the company, which will include matching rain coats and overcoats for personnel performing duties outside the building
- (b) Appropriate personal protective equipment (PPE)
- (c) The valid identification card issued by the Private Security Industry Regulatory Authority must be displayed at all times.

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

5.3 Records on Security personnel

- 5.3.1 Bidders must keep proper files as well as appropriate documents of all security personnel, who are employed for rendering the service to the Department available for inspection by representatives of the Department. The appropriate documents shall include, inter alia, the following; Scholastic, training, registration and medical certificates

5.4 Registers to be utilized and maintained

The successful bidder must ensure that the Occurrence Register, Asset register and Access Control Register / Forms, which are available on the site, is utilized and maintained as required:

All registers will be retained by the department at the end of the contract.

- 5.4.1 **Occurrence Register** - The purpose of this register is to keep record of all incidents, occurrences, or observations made by the Security Officer's whilst on duty for later reference

(i) Compulsory Entries: All listed routine procedures such as patrols undertaken, handing over of shifts, etc., the procedures followed, by whom and the time of commencement. These entries must all be made clearly legible, in black ink

(ii) All occurrence/events however important, slight or unusual, with reference to the correct time and relevant actions taken must be noted in a clearly legible black ink

(iii) All security personnel activities - especially deviations in respect of the duty list - indicating particulars of the personnel and relevant times

(iv) The issue and/or receipt of keys, indicating the time and by whom they were received and delivered

(v) The unlocking/locking of doors/gates, indicating the time and by whom they were locked/unlocked

(vi) The handing over of shifts, mentioning all names of all shift personnel and accompanying equipment and aids. In this case personnel taking over as

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

well as personnel handing-over must sign the entries

(vii) **Occurrence register - Read** : After handing-over of the shifts, the personnel who has come on shift must make an entry that he / she has read the occurrence register in order to acquaint himself / herself with events that occurred during the previous shift

(viii) **All shifts by Supervisors and Management:** These entries must be done in legible red ink

(ix) Officials of the Department shall pass on in writing, all additional requests in respect of the rendering of the service

(x) Under no circumstances may an entry in the occurrence register be erased, painted out with correction fluid or totally deleted. It shall only be crossed out by a single line and initialled at the side

5.4.2 **Pocket Book**

(i) Apart from the occurrence book mentioned above the following registers shall be utilized by the Security Officers in rendering service to the Department of Employment and Labour.

Purpose: The purpose of the pocket book is to note down all incidents occurring or observations made by a security guard / officer during a turn of duty, for later reference.

Requirement: During their turns of duty all security personnel must have a pocket book on their possession

(ii) All occurrence / events, however important, slight or unusual, referring to the following:

1. Reporting on and off duty.
2. Nature of the incident.
3. Extent of occurrence or event.
4. The Security Officer should record any incident taking place during the

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

execution of the duty.

5. Supervisor visiting the site should sign in the Security Officers pocket book to ensure that he / she visited the officers on site. Supervisor's entry should be in a red pen.

The pocket book also helps the Security Officer with his / her performance evaluation

5.4.3 **Shift Rosters** - Purpose: The purpose of the shift roster is to serve as proof, at all reasonable times that all personnel who should be on duty per shift, are indeed on duty

(i) Drawing up a shift roster: Daily, weekly, monthly shift roster of all security personnel must be drawn up by the successful bidder and kept on site where the service is rendered

(ii) Changes to the shift roster: Any changes to the shift roster shall be crossed out by a single line, initialled, dated and noted in the occurrence register

(iii) **Duty sheet** - The purpose of the duty sheet is to ensure that all security personnel on duty are familiar with their duties as required for the contract

(iv) The successful bidder must have a fully expounded duty sheet available at each duty point of the site

5.4.4 **Access control register:** The purpose of the access control register is to record all visitors entering the premises, all departmental officials without identification cards, register all officials working after hours. This register is also applied during weekends and public holidays, and the following information should be recorded:

- Date and time of visit and departure
- Surname and initials of the visitor
- Proof of Identification

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

- Car registration number if applicable
- Purpose of visit and person to be visited
- Contact Details of the visitor

The Security Officer on duty must ensure that all persons complete the register correctly. This means that the Security Officer ensures that the correct time and signature of the persons is entered correctly

Access to the building after hour must be checked and recorded correctly with full details of the officials.

5.4.5 **Asset register:** The purpose of asset register is to keep record of all asset movements, by recording the serial numbers, model and make of the assets including time, date the asset was moved from and into the premises

5.5 (i) **Two-way radios and cellular phone** - The purpose of the two-way radio phone is to ensure that there is immediate communication between the various duty points on the site and with the successful bidder's control room

(ii) **Hand held 2 way radios and cellular phones:** The hand held radios and **cellular phone** must be in good working condition at all times and they must be handed to the Security Officer patrolling the site for immediate communication with the base station.

5.6 **Contact with Departmental Representative**

(i) The Site Manager or Supervisor must immediately report any abnormal and or noteworthy incident to the Departmental Representative.

(ii) A meeting, where formal discussions can be held between the Departmental Representative and Successful Bidders Supervisor / Manager or Successful bidder himself / herself, must be held at least once a month. The Department will keep the minutes of the meeting.

(iii) The successful bidders shall furnish a monthly and quarterly report of the security service, incidents, etc. which transpired in the previous month to the responsible manager or delegated official in the Department of Labour

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

5.7 Maximum shift hours

No security personnel may be allowed to work a daily shift longer than (12) twelve hours.

5.8 Lost articles

Definition: Lost articles found at the site and of which the ownership could not immediately be established.

All lost articles must immediately be handed in at the security control room on site for safekeeping and recorded in the occurrence register. Thereafter it must be handed to the Departmental Representative.

5.9 Inspections

5.9.1 A thorough inspection of the service shall be performed by Departmental officials as well as the successful bidder at least monthly.

5.9.2 The Department retains the right to inspect the service rendered by the successful bidder at any time, in order to ensure that the service is rendered in accordance with the conditions of the contract and the site specification.

5.9.3 The Department retains the right to require from the successful bidder, that any of his / her employees be replaced, should justifiable reasons exist, in which case the employee must leave the site immediately. The Department will not be held responsible for any damages or claims which may arise. The successful bidder indemnifies the department against any such claims and legal expenses.

5.9.4 All security personnel shortages must be noted in the occurrence register by the relevant people as indicated in this document.

NB: The Department's representative will have the right to check at any given time whether sufficient personnel are available on site in terms of the conditions.

5.10 Labour unrest incidents

5.10.1 Labour unrest on site: If the service is interrupted / or temporary deferred

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

because of any labour unrest, labour dispute, civilian disorder, a local or national disaster or any other cause beyond the control of the successful bidder, the parties must come to an agreement on methods to ensure continuation of the security service. The contingency plan of the Department will be in place.

5.11 General

- 5.11.1 The successful bidder's personnel must at all-time refrain from littering and they must keep the grounds / building / work area occupied by them clean, hygienic and neat.
- 5.11.2 Under no circumstances will any security personnel be allowed to trade on the premises.

5.12 Additional requirements

- 5.12.1 A direct line of communication must be established between the security control room (on-site) and the control room of the successful bidder.
- 5.12.2 **The contract is valid for a period of thirty-six months (36)** and the Department reserves the right to terminate the contract with immediate effect if the Successful bidder is not rendering the service in terms of the contract and service level agreement. This will be done in line with the policies of the Department of Employment and Labour

6. LEGISLATIVE REQUIREMENTS

Bidders must comply with the following Labour Legislations:

6.1	All the prescribed conditions as per the Basic Conditions of Employment Act 75 of 1997 and as set out by National Bargaining Council for the Private Security Sector must be adhered to e.g. minimum wage;
6.2	All the requirements as per Labour Relations Act no 66 of 1995
6.3	The Compensation for Occupational Injuries and Diseases Act no 130 of 1993;

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

6.4	The Unemployment Insurance Contributions Act, No. 4 of 2002;
6.5	The Unemployment Insurance Act no 63 of 2001;
6.6	The requirements of Private Security Industry Regulatory Act(PSIRA) 56 of 2001;
6.7	The Occupational Health and Safety Act 85 of 1993;
6.8	Employment Services Act,4 of 2014
6.9	Employment Equity Act 55 of 1998
6.10	National Minimum Wage Act 9 of 2018

7. OBLIGATIONS OF THE SUCCESSFUL BIDDER

- 7.1 To oversee all security activities performed by security personnel;
- 7.2 To handle all problems experienced by security personnel on site;
- 7.3 To attend all problems regarding payments of Security Officers;
- 7.4 To ensure that there is always security equipment required on site according to the specification;
- 7.5 To ensure that Security Officers are given continuous training;
- 7.6 To train personnel at the site in respect of the application of the guidelines of the emergency plan applicable for the specific site;
- 7.7 To liaise with the Provincial representative responsible for security services and where applicable with the department's representative on-site;
- 7.8 To provide adequate security personnel as required by the Department of Employment and Labour for the successful rendering of security service as stipulated in the contract;
- 7.9 Shortage of security personnel should be recorded in the occurrence book by the supervisor. Department of Employment and Labour shall also keep their

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

- own record with regard to shortage of Security Officers and recoveries will be done.
- 7.10 Ensures that successful bidder's security personnel are familiar and knowledgeable on how to handle emergency situations;
- 7.11 Ensures that registers are neat, legible and updated at all times;
- 7.12 Ensures that Security Officers are always in uniform and display their PSIRA registration cards;
- 7.13 Holds weekly meetings with his / her supervisor;
- 7.14 Holds monthly meetings with Departmental representative;
- 7.15 Ensures that all security staff understands the needs and expectation of the secondary clients (e.g. visitors) and primary clients (e.g. employees) of the Department of Employment and Labour;
- 7.16 Ensures that all security staff understands the *Batho Pele principles* and apply at all times and present themselves well to the staff members and to the public;
- 7.17 The successful bidder must, at his own expense, take out sufficient insurance cover against any claims, costs, loss and / or damage ensuing from his obligations and he must ensure that such insurance remains operative for the duration of this agreement;
- 7.18 A copy of such insurance contract shall be handed to the departmental representative on commencement of the service and every quarter for the duration of the contract;
- 7.19 The successful bidder may not, unless otherwise specified, make use of any of the State's equipment, aids and / or property, for purposes of compliance with the conditions, which equipment, aids and / or property include, *inter alia*, vehicles, stationery, rooms and furniture;
- 7.20 The successful bidder shall not erect or display any sign, printed material, painting, name plates, advertisement, and article or object of any nature whatsoever, in or against State buildings or sites or any part thereof without

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

written consent from Department of Employment and Labour.

7.21 The Bidder must ensure that the security officers do the following:

- 7.21.1 Practice Access Control procedures in terms of the Control of Access to Public Premises and Vehicles Act (Act 53 of 1985);
- 7.21.2 The Security Officers shall be responsible for the protection of State property on the site, and the protection of the said property against theft, fire and vandalism;
- 7.21.3 The protection of the State's officials against any injuries, threat of any offences, including offences referred to in Schedule 1 of the Criminal Procedure Act, (Act 51 of 1977);
- 7.21.4 Protect State information against any espionage and/or leakage of information to the wrong hands;
- 7.21.5 Controlling or reporting on the movement of persons or vehicles through checkpoints or gates;
- 7.21.6 Conduct searches on staff members, members of the public and, if necessary, restrain them;
- 7.21.7 Patrol the premises of Department of Employment and Labour;
- 7.21.8 React to emergency situations;
- 7.21.9 Ensure that security registers are up to date and kept legible and neat at all times;
- 7.21.10 Check and record all movement of assets in and out of the site;
- 7.21.11 Security Officers shall report on duty on time as requested by the Department of Employment and Labour;
- 7.21.12 Security Officers found guilty of any offence stipulated in this agreement shall be removed from site immediately
- 7.21.13 Security Officers should avoid any conflicts with the staff members or members

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

of the public;

- 7.21.14 Security officers shall report any lost and found goods and articles to supervisors;
- 7.21.15 Security officers who are under the influence of any intoxicated substance cannot be allowed on site;
- 7.21.16 Act as an emergency officer after hours and report immediately at all times to the Department of Employment and Labour's representative;
- 7.21.17 Report all incidents related to emergencies to the Departmental representative immediately;
- 7.21.18 All incidents/events must be recorded in an occurrence book and reported to the successful bidder (including Public Holidays and weekends);
- 7.21.19 Regular report to be made by radio to the security control room;
- 7.21.20 The Security Guard should refrain from disclosing any information;
- 7.21.21 Security Guards must not be allowed to access IT networks, registers and communication networks;
- 7.21.22 Key control must also not form part of their responsibilities;
- 7.21.23 Inspect the premises and the vehicles parked on the premises together with the relevant officials of the Department of Employment and Labour in the mornings and in the afternoons during shift changes;
- 7.21.24 Signing over of all equipment and registers during shift changes;
- 7.21.25 To patrol the premises concerned and exercise crowd control (personnel protection included);
- 7.21.26 All patrol points should be visited;
- 7.21.26.1 Intervals between patrols must be done hourly;
- 7.21.26.2 Patrols must not be done in the same sequence/duration;

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

- 7.21.26.3 Time and route must be rotated and recorded;
- 7.21.27 During patrols the Security Officer should ensure that;
 - 7.21.27.1 All outside doors to the building must be closed;
 - 7.21.27.2 If there are any windows open on the ground floor special attention should be given to these windows;
 - 7.21.27.3 All vehicles doors are locked, windows are properly closed, boots are locked and that the spare wheels are not missing where fitted underneath vehicles;
- 7.21.28 Act as an authorized officer in terms of the Access to Public Premises and Vehicles Act. 1985(Act 53 of 1985.
- 7.21.29 Duties at the gate**
 - 7.21.29.1 All State vehicles leaving the premises must be stopped and the security officer must ensure that the driver of each vehicle is in possession of the vehicle's keys and trip authority and must complete the Vehicle register.
 - 7.21.29.2 Ensure that no person wanders between the vehicles.
 - 7.21.29.3 All persons entering/leaving the premises must be authorised and complete the After-hours register.
 - 7.21.29.4 The gates must be kept locked at all times after normal working hours unless an authorised person is collecting/delivering a vehicle.

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

8. INDEMNITY

- 8.1 The successful bidder will be held liable for any damages or loss suffered by the department, as a result of the successful bidder's own or his employees' negligence or intent, which originated on the site.
- 8.2 The department shall not be liable for any loss or damage of any nature to any of the successful bidder's properties or any items kept at the department's sites, even in cases where the loss originated as a result of negligence or intent on the part of the department.
- 8.3 The department is indemnified against any loss, expense or damage which may be sustained by any third party, as well as any claim or legal proceedings and legal expenses, including attorney and client costs, that may be instituted against or incurred by the Successful bidder, and which arise from or are the result of any act or Omission by the Successful bidder or an employee or agent of the Successful bidder in connection with the execution of the services in terms of this contract which may result in the following cases:
 - 8.3.1 Loss of life or injuries which may be sustained by the security personnel during the execution of their duties.
 - 8.3.2 Damages to or destruction of any equipment or property of the successful bidder during the execution of their duties.
 - 8.3.3 Any claims and legal costs which may ensue from the failure by or acts committed by security personnel against third persons, which acts include.
 - 8.3.3.1 Illicit frisking, arrests and other illicit or wrongful deeds. The successful bidder shall be notified in writing of the particulars of each claim he is liable for.
 - 8.3.3.2 Request further information from any bidder after the closing date of the bid (within 7 days)
 - 8.3.3.3 Reserve the right to award the bid to a bidder who did not score the highest points.

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

8.3.3.4 Not make an award.

8.3.3.5 Cancel the contract, if it is satisfied that any person (being an employee, partner, director or shareholder of the bidder or a person acting on behalf of or the knowledge of the bidder), firm or company (the expression "person, firm or company" shall include an authorised employee or agent of such a person, firm or company):

- a) Is executing a contract with government unsatisfactorily;
- b) Has offered, promised or given a bribe or other gift or remuneration to any officer or employee in the public service in connection with obtaining or executing a contract;
- c) Has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining a contract with any government department, provincial administration, public body, company or person, or that he has managed his affairs in such a way that he has in consequence there-of being found guilty of criminal offence.
- d) Has approached an officer or an employee in the public service before or after bids have called for, to influence the award of the contract in his favour;
- e) Has withdrawn or amended his bid after the time set for the receipt and opening of the bid;
- f) When advised that his bid has been conditional accepted, has given notice of his inability to execute or sign the contract or furnish any security required;
- g) Has entered into an agreement or arrangement, whether legally binding or not, with any other person firm or company to refrain from bidding for this contract, or as to the amount of the bid to be submitted by either party;
- h) Has disclosed to any other person, firm or company the exact or appropriate amount of his proposed bid except where disclosure, in

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

confidence, was necessary to obtain insurance premium quotations for the preparation for the bid; the department of Employment and labour may, in addition to any other legal recourse which it may have, cancel the contract between the department and such person, or firm or company and or resolve that no bid from such a person, firm or company will be favourable considered for a specific period

- i) The department reserves the right to negotiate the final price.

9. GUIDELINES TO PRICING CALCULATIONS

Although the price quoted must be **firm/fixed** for the duration of the contract period, the following formula may be used to calculate the pricing over the three year period

$$Pa = (1-V) Pt D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} + V Pt$$

R1o R2o R3o R4o

Where:

Period	=	The period between price adjustments
Pa	=	The adjusted price or rate for each period
V	=	The firm part of the price or rate which must not be smaller than 0,15
Pt	=	The price or rate on date of tender which will apply for the first period
1, to D4	=	The fraction of the price to be coupled to indices R1 to R4 respectively. (D1 to D4 must add up to 1
R1, to R4	=	The indices applicable, namely :
R1	=	salaries / wages, consumer price index PO

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

141.1 table 21

R2	=	transport, PO 141.1 table 16
R3	=	clothing and footwear, PO 141,1 table 16
R4	=	overheads, PO 141,1 table 26
O	=	The suffix which indicate the index number (figure) applicable on date of tender. For all practical purposes, an index number of three months before date of tender, may be used.
T	=	The suffix which indicate the index number to be used for the adjustment of the price or rate for the next period. Once again, an index number of three months before commencement on the next period may be used. Prices or rates as quoted, are firm for the first period and thereafter as adjusted for each period.

NB: There will be no price adjustments on the first 12 months. The price adjustment must not occur more than once in every 12 months, on the second and third year of the service.

Bidders must split their total bid price in three years, i.e.

- the total price for the first year;
- the total price for the second year;
- The total price for the third year inclusive of the price adjustment (projections) as the total bid price will be firm for the duration of the contract.

The bidders should also take note of the CPI clause from the Statistics South Africa's website and also consider the Security officer's annual

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

increase in the Sectoral Determination.

10. CRITERIA THAT WILL BE CONSIDERED IN EVALUATING THE BIDS: 80/20.

Bids invited on the basis of functionality as a criterion must be evaluated in two stages;

- First functionality must be assessed and then in accordance with the **80/20** preferential point systems
- Only bids that achieve the minimum qualifying score of **70 percent** for functionality will be evaluated further in accordance with the 80/20 preferential point systems.

10.1 FUNCTIONALITY STAGE

NB: Bidders should score 70/100 points or more in order to qualify for the 80/20 evaluation

EVALUATION CRITERIA		POINTS
1.	Relevant experience in the security industry Attach copy of existing or previous contract/ purchase order or appointment letter from the entities a service is/was rendered.	20
	• More than five years. (20)	
	• From three to five years (15)	
	• One to three years (10)	
	• Less than one year. (5)	
	Please note that different contract that run concurrently will be accounted as one in years of experience.	

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

2.	Demonstrate Locality of the business by attaching municipality account in the name of the director or owner of the company) name of the director/owner should reflect on CIPC certificate/CSD) not older than 3 months: - Well established office in the district municipality. (20) - Well established office within the province (15)	20
	Well established office in RSA. (5)	
3.	A detailed Project/work Plan - Tabling daily activities shift rooster, occurrence register and other registers and supervisory activities. (8) - Contingency plan (8) - Response time in event of emergency (8) - List of resources to be utilized. (8) - Demonstrate electronic monitoring system that will be used at the site (8)	40
4.	Financial Management: The bidder is required to submit bank rating/ grading letter as per the following categories - Category A – (20) - Category B– (15) - Category C – (10) - Category D– (5)	20
	TOTAL POINTS	100

80/20 PREFERENTIAL POINT SYSTEM

10.2

PRICE	80
B-BBEE	20

Calculation of points for B-BBEE status level of contributor

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

7	4
8	2
Non-compliant contributor	0

Bidders are required to submit a certified, valid SANAS accredited B-BBEE Status Level Verification Certificates/ Sworn affidavit, signed and stamped by the commissioner of oaths to substantiate their BBBEE rating claims. If copies are not certified by the commissioner of oaths, BBBEE certificate will not be considered.

A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid

11. GOVERNMENT GENERAL CONDITION OF CONTRACT

The Government General Conditions of Contract (GCC) as outlined by National Treasury will be applicable for this Bid and will remain in force for the duration of the contract

12.	SPECIAL CONDITIONS OF THE BID
12.1	In case the office move, the prospective service provider will move the services without any additional charge to the department;
12.2	All security personnel, Directors and the Company itself shall be subjected to vetting;
12.3	Consent that all Managing Directors, Shareholders of the company and Site Managers, Supervisors and Security officers assigned to the site will be subjected to pre-screening before they can resume duties with the Department of Employment and Labour;
12.4	Security clearances of security personnel when requested by Department of Employment and Labour;

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

12.5	Consent of their employees that they do not object to signing a Declaration of Secrecy;
12.6	Proof of Liability Insurance Cover to be provided before the commencement of the contract to a minimum amount of R2 500 000.00 (R2.5 million)

13. OTHER CONDITIONS

- 13.1 Any proposals received in response to this bid remain the (intellectual) property of the Department of Employment and Labour;
- 13.2 The successful bidder will be required to sign a Service Level Agreement (SLA) and a contract;
- 13.3 Prospective bidders must be registered on CSD and must have a corresponding commodity; if the relevant commodity is not registered on CSD the bid will be disqualified;
- 13.4 Bidders must ensure compliance on tax matters. If a bidder is a VAT vendor, he/she must indicate VAT portion in the bid before the grand total and add it up with the total to get the grand total of the bid;
- 13.5 Bidders who are non functional (emerging companies), must attach a letter for tender purposes for UI and COID in their bid document. Failure to attach will invalidate the bid;
- 13.6 The Department of Employment and Labour will work strictly according to the work schedule and if tasks indicated on the work schedule are not performed on time that will constitute a breach of contract and penalties will be levied;
- 13.7 Penalties will be negotiated and agreed on with the successful bidder at the beginning of the contract;
- 13.8 Bidders of existing companies must attach a valid letter of good standing from COID and a valid Certificate of compliance from UIF. Failure to attach will invalidate the bid;
- 13.9 Bidders shall ensure that there are not missing or duplicated pages, the department shall not accept liability in regard to claims by bidders that pages

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

are missing or duplicated.

- 13.10 Bidders are requested to submit **one original** copy of the proposal.
- 13.11 Bidders are advised on their spare time to visit the office by an appointment
- 13.12 No briefing session will be conducted instead bidders to send their enquiries through the email (Limpopo.tenders@labour.gov.za).
- 13.13 Bids should be held valid for a period of **120 days**.

14. PRICE STRUCTURE TEMPLATE

N.B. ALL Bid Price Proposals must be completed in line with the following requirements:

- 14.1 Provincial Office Bid price proposal must be based on **ALL OF THE BID SPECIFICATIONS AND NOTHING MUST BE LEFT OUT**
- 14.2 A **Bid Price Proposal** excluding some of the required services (as outlined in the bid specifications) **shall not be accepted**
- 14.3 The Labour costs for the security staff (Supervisor and junior employees must not be below the approved sectorial wage determination as determined by the Department of Employment and Labour

ONLY PRICE PROPOSALS SUBMITTED IN LINE WITH THIS TEMPLATE SHALL BE ACCEPTED

Supervisor (only where a full time supervisor required is)	Full Time (per month)
Basic salary	R
Provident Fund	R
Sick leave	R
Skills Development Levy (SDL)	R

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

UIF	R
Bonus	R
Other allowances (please specify)	R
	R
Total	R

Security officers (full time)	Full Time (per month)
Basic Salary	R
Provident Fund	R
Sick leave	R
Skill Development Levy (SDL)	R
UIF	R
Bonus	R
Other allowances (please specify)	R
Total monthly cost per security officer	R
Numbers of security officers	
Total monthly cost as per number of security officers	R

OVERTIME COST	
SUPERVISOR	
Saturday	R

SPECIFICATION FOR RENDERING OF SECURITY SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS FOR CAPRICORN CLUSTER.

Number of sessions (refer to tender document for specifications for after hours services)	
Sunday	R
Number of sessions (refer to tender document for specifications for after hours services)	R
SECURITY OFFICER	
Saturday	R
Number of sessions (refer to tender document for specifications for after house services)	R
Sunday	R
Number of sessions (refer to tender document for specifications for after hours)	
TOTAL COST FOR SECURITY OFFICERS	R
TOTAL COST (SUPERVISOR AND SECURITY OFFICERS COMBINED)	R

SECURITY SERVICES	TOTAL COST PER MONTH
Overheads	R
Total bid price year 1	R
Total bid price year 2	R
Total bid price year 3	R
Total bid price (all cost included)	R

Name of bidder:

Signature:

Date:



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	Lim01-2022/2023	CLOSING DATE:	11/07/2022	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO RENDER SECURITY SERVICES FOR CAPRICORN CLUSTER FOR A PERIOD OF 36 MONTHS.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
42a SCHEOMAN STREET, BOLAND BANK BUILDING, POLOKWANE, 0700 or MAY BE POSTED TO: THE CHIEF DIRECTOR: PROVINCIAL OPERATIONS, PRIVATE BAG X 9368, POLOKWANE, 0700					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ Yes ☐ No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		☐ AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) ☐ A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS) ☐ A REGISTERED AUDITOR NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER		DATE			
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:			
DEPARTMENT/ PUBLIC ENTITY	EMPLOYMENT AND LABOUR	CONTACT PERSON	Kgaogelo Mashiane		
CONTACT PERSON	Tlou Morema	TELEPHONE NUMBER	015 290 1767		
TELEPHONE NUMBER	015 290 1702	FACSIMILE NUMBER	n/a		
FACSIMILE NUMBER	n/a	E-MAIL ADDRESS	kgaogelo.mashiane@labour.gov.za		
E-MAIL ADDRESS	Tlou.morema@labour.gov.za				

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. 1.2. The bid box is generally open from 06h00 to 18h00, 7 days a week 1.3. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE 1.4. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.5. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION. 1.6. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER. 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO ☐ YES ☐ NO ☐ YES ☐ NO ☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

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

PRICING SCHEDULE
(General Services)

NAME OF BIDDER: BID NO.: Lim01-2022/2023

CLOSING TIME: 11:00AM

CLOSING DATE: 11/07/2022

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
-	1. Required by:	
-	At:	
	2. Bidders are required to indicate a total price based on the total contract period and including all expenses inclusive of all applicable taxes for the service.	R.....
	3. Does offer comply with specification?	*YES/NO
		TOTAL: R.....
	4. Period required for commencement with project after acceptance of bid	
	5. Are the rates quoted firm for the full period of contract?	*YES/NO

PRICING SCHEDULE BREAKDOWN AS FOLLOWS:

YEAR 1:	
YEAR 2:	
YEAR 3:	
GRAND TOTAL INCLUDING VAT:	

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

I, _____ the _____ undersigned,
 (name)..... in
 submitting the accompanying bid, do hereby make the following
 statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² 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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	
Signature	Date
.....	
Position	Name of bidder

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; or
- b) The 80/20 preference point system will be applicable to this tender.

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	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
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

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

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 10 or 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	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 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 least 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

.....

.....

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.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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)