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**the gpaa**

Department:  
Government Pensions Administration Agency  
**REPUBLIC OF SOUTH AFRICA**

**Government Pensions  
Administration Agency  
(GPAA)**

**GPAA15/2015**

**Request for proposal (RFP) to  
implement Enterprise Data Management for the  
Government Pensions Administration Agency (GPAA)**

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A	<b>SBD Forms</b>
B	<b>Special Conditions of Contract</b>
C	<b>General Conditions of Contract</b>

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## **TERMS OF REFERENCE**

# **Request for Proposal (RFP) to tender for the implementation of Enterprise Data Management (EDM)**

## **SOLUTION REQUIREMENTS DEFINITIONS**

Document Classification:

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### Document Versions

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0.6	27/05/15		Modernisation	
0.7	28/05/15		Modernisation	

### Document Reference Library

Document File Name	Context and Relevance

### Notes, Abbreviations and Acronyms

GPAA	Government Pensions Administration Agency
GEPF	Government Employees Pension Fund
CIVPEN	Legacy data source application
EDM	Enterprise Data Management
ETL	Extract, transform, load
MDM	Master Data Management
ESB	Enterprise Service Bus
OBIEE	Oracle Business Intelligence Enterprise Edition
SOA	Service-Orientated Architecture

## **Executive Summary**

The Government Pensions Administration Agency (GPAA) is an Agency that provides administration services to the GEPF and National Treasury. The provision of services is regulated by Service Level Agreements (SLAs). The funds and schemes that are currently administered by the GPAA are as follows:

- The GEPF in terms of the Government Employees Pension (GEP) Law of 1996 on behalf of the GEPF's Board of Trustees;
- The TEPF in terms of the Temporary Employees Pension Fund (TEPF) Act 75 of 1979 on behalf of National Treasury's Programme 7;
- The AIPF in terms of the Associated Institutions Pension Fund (AIPF) Act 41 of 1963 on behalf of National Treasury's Programme 7;
- Post-Retirement Medical Subsidies as provided for and regulated by PSCBC resolutions on behalf of National Treasury's Programme 7;
- Military Pensions in terms of the Military Pensions Act 84 of 1976 on behalf of National Treasury's Programme 7;
- Injury on duty payments in terms of the Compensation for Occupational Injuries and Diseases Act 130 of 1993 on behalf of National Treasury's Programme 7;
- Special Pensions in terms of the Special Pensions Act 69 of 1996 on behalf of National Treasury's Programme 7; and
- Other benefits payable from the National Treasury's Programme 7.

The Government Pensions Administration Agency (GPAA) in its efforts to streamline its business processes to provide a more effective Defined Benefits Pensions Administrations process has embarked on a Modernisation Programme.

Through its Modernisation projects the GPAA has sought to transform its operational effectiveness and efficiency, stakeholder management and governance. The GPAA's transformation is focused on the following aspects:

- Enhancement of the GPAA's administrative capacity;
- Modernising of Processes and Systems;
- Human Capital – the enhancement of people competence and wellness;
- Meeting service levels as per Service Level Agreements;
- Managing the roles and responsibilities of employer departments' vis-à-vis the GPAA.

Central to the Modernisation Programme becoming a success is the issue or challenge of data integrity and data management in the organisation. The new business processes and technology that will be introduced in the environment requires data to be of high quality (complete, consistent, unique, valid and accurate), to ensure that information and intelligence produced from it, can provide a single version of the truth, and support sound decision making. Poor data quality results in invalid or non-timeous payments of benefits and poor customer service. To resolve this deficiency the GPAA has decided it time to design and implement Enterprise Data Management (EDM).

## **Scope**

The core deliverables of this programme is Data Migration from legacy systems, and Master Data Management aligned to an Enterprise Data Model. The desired solution must provide for the monitoring and ownership of data quality within the organisation as aligned to key performance indicators and governance frameworks. To assist with the roll out of EDM in the organisation, the GPAA is looking for an experienced vendor to assist with the design and all elements of the delivery effort involved.

The objective of the GPAA Modernisation Programme EDM deliverable will be to establish and operationalise the management of information during the entire life cycle, including data creation, processing, consumption, storage, archiving and disposal.

The scope includes the following required services:

- Profiling of data in order to classify information and capture data quality rules for the identified data sets
- Identification and prioritisation of data sets to be cleaned
- Creation of data quality reports, data cleansing mechanisms and remedial plans
- Data cleansing and enrichment execution
- Migrate information from legacy system
- Implement Master Data Management to provide a single view of information and provide the GPAA with data maintenance and monitoring capabilities
- Automation of ETL processes of information from external sources
- Create an Enterprise Data Model with common taxonomy for business and data rules
- Define a strategy to sustain/embed/operationalize data maintenance within the GPAA
- Define a data and information architecture that delivers operational, tactical and strategic quality information for analysis and decision making
- Expose and disseminate migrated information to operational, strategic and corporate domains

The following strategic benefits will be delivered:

- To provide a single view of the customer
- To pay the right person, the correct amount, at the right time
- To administer funds at an economically acceptable cost per member

## GPAA As-Is

### As-Is Application Architecture

As part of the modernisation drive the GPAA will adopt a Service Orientated Architecture (SOA) approach. This design philosophy will be used in all areas of the programme in an attempt to facilitate and drive a modular, loosely coupled architecture that will promote re-use, increase flexibility and allow GPAA to quickly adapt to change.

The GPAA has chosen a number of Oracle products/solutions to form the basis for its roll out of a new architecture and platform that will follow a SOA design approach. Whilst the GPAA understands that SOA is a vendor agnostic design philosophy we also understand that we need to capitalise on what is, essentially, a rich product stack that the GPAA has at its disposal. Special note should be made that wherever the functionality is not tied directly to a product implementation, the bidder should demonstrate an understanding and expertise in vendor agnostic SOA concepts.

The applications available to the RFP bidders are listed in the table below. In terms of the EDM solution implementation, specific notice should be made to the Integration, Connectivity, Messaging and Routing applications.

**Table 1 List of the available applications**

Business Requirement	Applications
Application Services	Oracle Weblogic Server Microsoft IIS Citrix
Integration, Connectivity, Messaging and Routing	Oracle Service Bus Oracle Service Registry/Repository

<b>Business Requirement</b>	<b>Applications</b>
	Oracle BPM Oracle Data Integrator
Business Intelligence	Oracle Business Intelligence Enterprise Edition Oracle BI Publisher
Data Services	Oracle Database Oracle Coherence Oracle Enterprise Manager Oracle Technology Adapters.
Enterprise Content Management	Oracle WebCenter Suite
Identity Management	Oracle Access and Identity Management Suite Plus
Monitoring	Oracle Business Activity Monitoring Oracle Enterprise Manager
Portal	Oracle WebCenter Portal

The GPAA is already licensed for the above products as per the table below. Any additional licensing and related costs must be clearly stated.

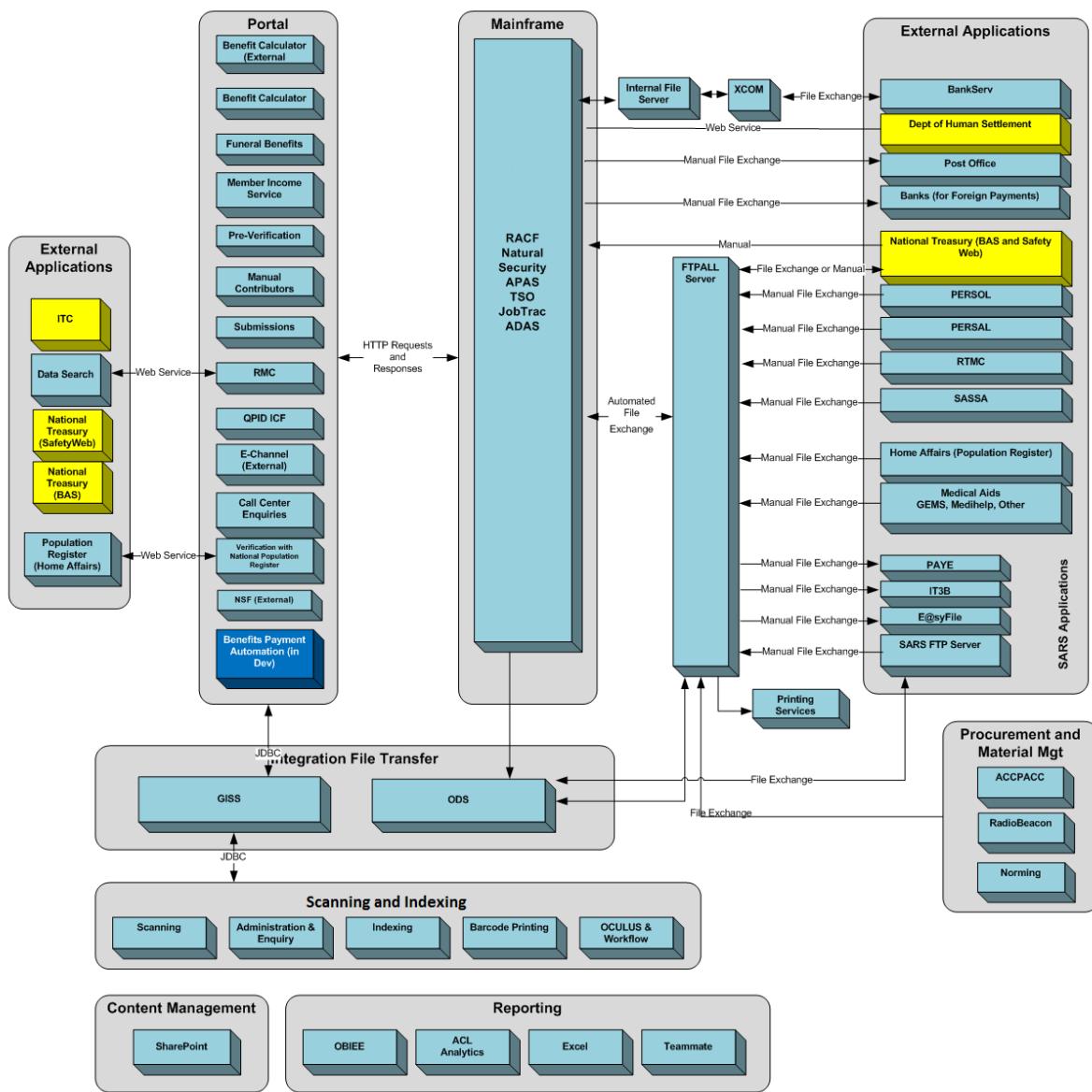
**Table 2 Product Licenses**

<b>Functional Product Description</b>	<b>Quantity</b>
Oracle Database Enterprise Edition - Processor Perpetual	6
Internet Application Server Standard Edition - Processor Perpetual	1
Oracle Business Intelligence Suite Enterprise Edition Plus - Named User Plus Perpetual	60
Data Integrator and Application Adapter for Data Integration - Processor Perpetual	2
WebLogic Suite - Processor Perpetual	8
Oracle Database Enterprise Edition - Processor Perpetual	10
Oracle Database Enterprise Edition - Named User Plus Perpetual	425
Oracle Active Data Guard - Processor Perpetual	16
WebLogic Server Enterprise Edition - Named User Plus Perpetual	80
WebLogic Server Enterprise Edition - Named User Plus Perpetual	80
WebLogic Server Enterprise Edition - Processor Perpetual	2
WebLogic Server Enterprise Edition - Processor Perpetual	2
WebLogic Server Management Pack Enterprise Edition - Processor Perpetual	2
WebLogic Server Management Pack Enterprise Edition - Processor Perpetual	2
WebLogic Server Management Pack Enterprise Edition - Processor Perpetual	6
WebLogic Server Management Pack Enterprise Edition - Named User Plus Perpetual	80
WebLogic Server Management Pack Enterprise Edition - Named User Plus Perpetual	80
WebLogic Server Management Pack Enterprise Edition - Named User Plus Perpetual	200
WebLogic Suite - Named User Plus Perpetual	200
Case Management Analytics Fusion Edition - Application User Perpetual	25
Oracle Business Intelligence Management Pack - Named User Plus Perpetual	80
Oracle Business Intelligence Management Pack - Processor Perpetual	2

Oracle Business Intelligence Foundation Suite - Named User Plus Perpetual	20
Oracle Business Intelligence Foundation Suite - Processor Perpetual	2
Oracle Data Integration Suite - Processor Perpetual	2
Data Integrator and Application Adapter for Data Integration - Processor Perpetual	2
Oracle Management Pack for Oracle Data Integrator - Processor Perpetual	2
Identity and Access Management Suite Plus - Employee User Perpetual	500
Identity and Access Management Suite Plus - Non Employee User - External Perpetual	500
Identity Manager Connector - PeopleSoft Enterprise Applications - Connector Perpetual	1
Identity Manager Connector - IBM RACF - Connector Perpetual	1
Identity Manager Connector - Microsoft Active Directory - Connector Perpetual	1
Identity Manager Connector - Oracle Internet Directory - Connector Perpetual	1
Management Pack Plus for Identity Management - Employee User Perpetual	500
Management Pack Plus for Identity Management - Non Employee User - External Perpetual	500
Oracle API Gateway - Processor Perpetual	2
Oracle API Gateway - Named User Plus Perpetual	30
Unified Business Process Management Suite - Named User Plus Perpetual	80
Unified Business Process Management Suite - Processor Perpetual	2
SOA Management Pack Enterprise Edition - Processor Perpetual	2
SOA Management Pack Enterprise Edition - Named User Plus Perpetual	140
SOA Suite for Oracle Middleware - Processor Perpetual	2
SOA Suite for Oracle Middleware - Named User Plus Perpetual	60
Service Bus - Named User Plus Perpetual	60
Service Bus - Processor Perpetual	2
Oracle WebCenter Capture - Processor Perpetual	2
Oracle WebCenter Content - Processor Perpetual	2
Oracle WebCenter Content - Named User Plus Perpetual	80
Oracle WebCenter Portal - Named User Plus Perpetual	80
Oracle WebCenter Portal - Processor Perpetual	2

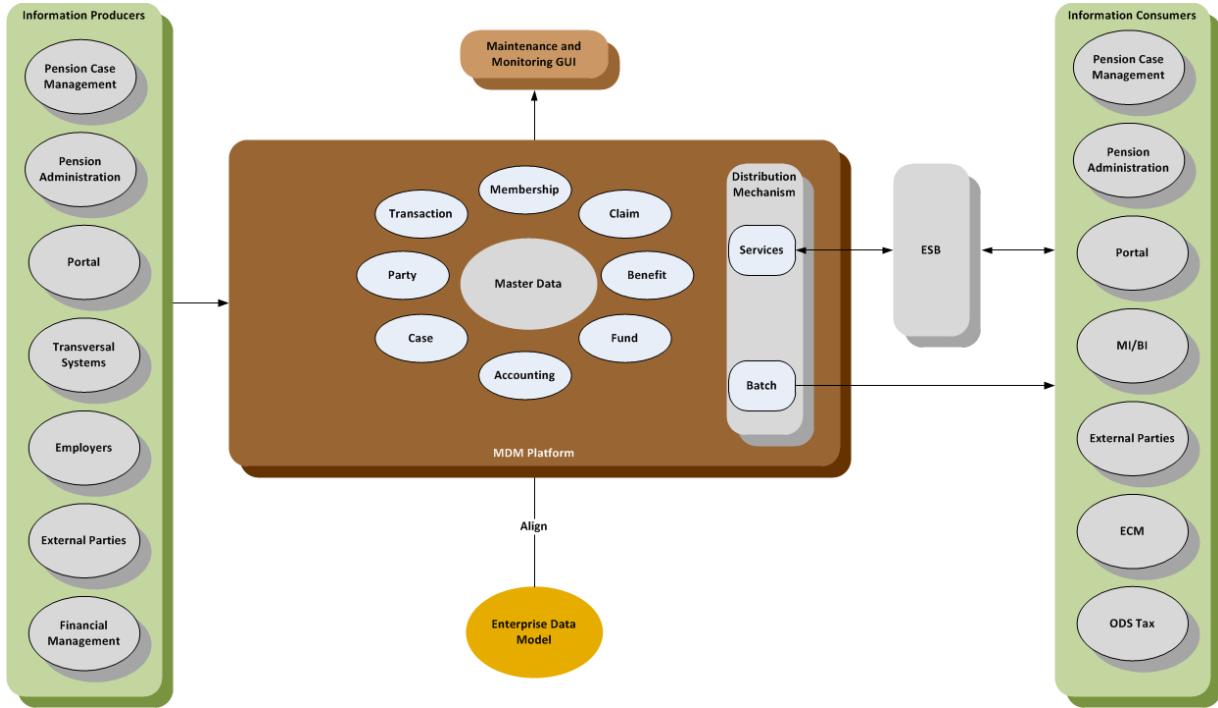
## As-Is Information Flows

The diagram below illustrates the current data flows.



## GPAA To-Be

The envisioned landscape below illustrates how the GPAA expects the solution to provide the required mastering, distribution and maintenance of information. This includes the intention to migrate the information from the current mainframe system. The information producers and consumers are not limited to the ones within the diagram below. The information distribution mechanism via services aligns with a loosely-coupled SOA integration style. This is to ensure integration with the existing and future information consumers.



**Figure 1: To-Be EDM**

**“Information Producers”** – Any system or process that creates information

**“Information Consumers”** – Any system or process with a dependency on information

**“MDM Platform”** – A platform that provides the technology and services to create a single repository of information

**“Maintenance and Monitoring GUI”** – The interface which users can utilise to maintain and monitor the quality of information

**“Enterprise Data Model”** – The industry standard model that contains all the required attributes, taxonomy and rules to store information, ensure referential integrity, and an efficient way to extract information

**“Distribution Mechanism”** – The mechanisms to disseminate information to consumers, either in batch format or via services

**“ESB”** – The enterprise service bus is used for communication between the MDM platform and the consumers based on a service-orientated architecture principle

## Requirements

The requirement is for a solution that enables the GPAA to manage and mature an enterprise data management competency or practise. This includes installation, implementation/configuration and on-going maintenance and support.

The GPAA will perform a role of architectural oversight of the implementation and also be involved in the daily feedback sessions or ‘stand-ups’. All technical designs and architecture assets will be signed off by the relevant member of the architecture team. Feedback from the vendor will be frequent and regular progress demos will be required. This will take place as agreed between the successful bidder & the GPAA.

At a high level the requirements can be split into the following functional requirements and architectural requirements. Additional to this, there will be a requirement to provide details regarding the cost of ownership, and conduct a formal handover of all aspects of the implementation.

## **Functional Requirements**

### **Data Migration**

The migration of information from the current systems will include data analysis, profiling, classification, cleansing and transformation. The current information producers are a combination of internal and external sources. Internally the GPAA stores information on Oracle databases, as well as on a mainframe system that runs on a Z/OS operating system with Natural programs connecting to an Adabas database version 8.2.6.

- The vendor shall provide a migration strategy and approach
- Data should be cleansed according to the GPAA administrative rules, statutes, policies and business rules
- On-going data audits shall be conducted against all identified data sources during the cleansing process
- A data analysis report shall be provided from the data audit (e.g. description of problem, data source, number of occurrences, impact on production data, type of fix that was applied, number of records fixed, and number of records unable to be fixed)
- Provide reconciliation reports to ensure counts and totals between source and target
- Vendor shall retain history (audit trail) of all data elements that are changed through cleansing (before and after)
- Vendor shall provide the testing process, including the test plan, test cases, test scenarios and expected results for the migration

### **Master Data Management**

Business critical data is fragmented and spread across various departments, functions, processes and systems. To enable data ownership and stewardship, GPAA requires all the critical data entities in a central repository from which a single or 360 degree view of the data is created so that the business owner does not have to go from one system to another to verify its accuracy, completeness, conformity and integrity of the data.

- The solution should be able to manage multiple business entities
- Support best practise data governance policies and processes including control and auditing capabilities
- Integrate to the GPAA security and reporting tools to provide fine-grained access to data and reliable data quality metrics
- Provide a workflow capability including the creation and authorisation of reference data and data definitions, and automatic notification of data quality issues
- Automatically generate changes to data services whenever the data model is updated with new attributes, entities, or sources
- Should support a combination of matching techniques (deterministic, probabilistic, heuristic, phonetic, linguistic, empirical, etc.) with each able to address a particular class of data matching
- The solution should be able to automatically create a golden record for any data entity and provide a robust unmerge functionality in order to rollback any manual errors or exceptions
- The history of all changes to data and the lineage of how the data has changed needs to be captured as metadata.
- Reference data should be managed and maintained in a central repository to enable reuse across processes and applications.

High level information entities include:

- Contributions
- Payments
- Party
  - Employers
  - Clients (Member/Pensioner)
    - Representatives

- Customers
- Stakeholders
- Service Providers
- Dependents
- Beneficiaries
- Guardians
- Spouses
- Fund
- Transactions
- Benefits
- Chart of Accounts
- Application
- Product
- Claim
- Membership
- Task / Case / Interaction / Event

The following capabilities and functions should be provided with the master data solution as services or routines:

- Membership Management
  - Member Admission
    - Automatic Admissions
    - Manual Admissions
  - Member Information Updates / Maintenance
- Pensioner Maintenance
  - Pensioner Information Updates / Maintenance
  - Benefit Re-calculations
  - Benefit Re-distributions
  - Spouse Pensions
  - Orphan's Pensions
- Contribution Management
  - Manual Contributions
  - Electronic Contributions
  - Salary Reconciliations
  - Financial Reconciliation
- Benefits Processing
  - Civil Pensions:
    - Resignation Benefits
    - Retirement Benefits
    - Death Benefits
    - Funeral Benefits
    - Special Projects
    - Pensioner Cards & Life Verification
    - Third Pensions
  - Non-Civil
    - Injury On Duty Benefits
    - Special Pensions
    - Medical Benefit (subsidy)
    - Military Pensions
    - Other & VIP Benefits
  - Payments / Withdrawals
- Tax Directives
- Accounting Maps
- Financial Management
  - Cash Books
  - Bank Statements
  - Billings

## **Enterprise Data Model**

The enterprise data model is simply a canonical or standard model of the common data objects or entities and their key attributes that are required to run GPAA. In order to have a central repository (MDM), especially where data is fragmented and spread across various systems, it is important that stakeholders speak a common language. The EDM solution should facilitate this via an Enterprise Data Model around which common business and technical terminology can be created and linked together. The GPAA requires a defined metadata function to manage the technical, operational, and business metadata. Technical metadata should include legacy platform fields and definitions. Operational metadata should include data transfers, movement, and mapping, while business metadata encompasses business glossary and the common vocabulary.

## **Data Quality Monitoring**

Quality of data has a direct impact on how well GPAA performs. The GPAA need to monitor data quality metrics which is linked to key organizational and individual performance indicators. The EDM solution should provide reports and dashboards that reflect these data quality metrics and known data issues so that stakeholders can perform the required data quality monitoring and react appropriately. Information should be available for trending and forecasting.

## **Architecture Requirements**

### **Architectural Style**

The GPAA requires a solution that provides the required functionality out-of-the-box, with only data migration and configuration required during implementation. Qualities such as interoperability, scalability and maintainability will form part of the evaluation. New requirements or changes should be accommodated via configuration, but in the case that modifications are required the solution should have the ability to undergo changes with a degree of ease, at a reasonable cost and within an acceptable timeframe. Business as usual requirements will be done by the GPAA, with only fundamental changes done by the vendor as part of the maintenance and support agreement. As part of the process of bidding for the RFP implementation, bidders are required to describe any applicable reference architectures and describe the proposed solution in detail.

## **Operational Requirements**

- System stability and availability should adhere to the GPAA requirements and service level agreements
- Solution should support full redundancy.
- Solution should expose sufficient and useful instrumentation to perform system monitoring, debugging and performance tuning.
- Solution should be deployed on-site.
- Solution should be able to handle increases in load without impact on the performance of the system, and provide the ability to be readily enlarged.

## **Authentication and Authorisation**

- Integrate into the Oracle Identity and Access Management system for all identity management and role-based access functionality
- Ensure Role-based Access Management is applied using single sign on (SSO)

## **Integration**

- Solution must provide the ability to communicate and exchange information with other systems.
- Architecture should enable seamless integration of applications within the landscape.
- Applications, as providers should be decoupled from consumers based on SOA principles to promote the introduction of new applications.
- Real-time / messaging integration should be completed using the ESB.
- Services should encompass business functions. These services should be available for application and process consumption.
- Services should be discoverable to enable business process management.
- Application interfaces and services should be reusable. They should contain a sufficient level of isolation to enable versioning.

## **Data Architecture Requirements**

Specific requirements pertaining to data management and architecture are listed below.

- Solution must allow integration of OBIEE for MIS
- Bulk data movements should be visible within the Business Activity Monitoring component of the ESB.
- Utilise data integration monitoring tool to view data transfers across batch and real-time messaging. This is necessary to create a single and consolidated view of data flows across a process.
- Business process management requires real-time data in order to drive process optimisations.
- The architecture should contain a repository of transactions and events that are in flight, completed, cancelled and failed.
- Valid and accurate data sources such as Excel and Word documents should be accepted as data sources to the Reporting Architecture.
- Consolidated financial information to a single repository for accurate and timely financial reporting.
- Structured and unstructured content should be integrated to the overarching correspondence and administration processes.
- Data should be available and understandable for discovery.
- Historic information should be available for extraction into other tools for trending and forecasting.
- Architecture should integrate into a centrally maintained user authorisation and authentication component. User access to data should be controlled within central location and not managed within reporting solution.
- Information integrity should be maintained, while information should be guarded against improper modification or destruction. This must be underpinned with nonrepudiation and authenticity within the architecture.
- Information should remain confidential when required due to either member preference or legislation. Implies, preserving authorised restrictions on access and disclosure, including means for protecting personal privacy and proprietary information. Information classification should be enabled within the architecture to control user access.
- All access to member information should be tracked and logged for auditing purposes.

## **Cost of Ownership**

Bidders are required to provide the following information so that total cost of ownership can be determined.

Platform	The cost of platform setup and operation
Package	Initial costs and license requirements
Implementation	The cost to implement and configure the solution
Maintenance & Support	Cost of on-going maintenance & support for a period of 3 years

Please take the existing applications and licenses within the As-Is Application Architecture into consideration.

## **Handover**

The GPAA may assign resources to shadow the implementation and solution configuration. These resources should be seen as forming part of the handover, not as additional project resources, and timelines should not be influenced. At the end of engagement the vendor will be required to hand over all artefacts related to the implementation and configuration processes and ensure that the GPAA is in a position to support the solution.

All artefacts and documentation must be in English.

Handover should also include:

- Documentation / procedures
- Disaster recovery procedures
- Service level agreements
- Integration standards and interface specification
- Detailed architectural designs, configurations and related system documentation
- End user and ‘train-the-trainer’ training
- ICT support training
- Skills transfer
- Governance aspects

## **Timelines and Volume**

Bidders are required to provide an implementation plan defining a critical path with milestones and deliverables that will be achieved within 12 months. Milestones and Deliverables that will be achieved within each month must be presented. The plan must also include any key pre-requisites and dependencies for meeting the expected delivery requirement. Estimation for all requirements must be included within the implementation plan, but the following are the minimum requirements that must be delivered within a 12 month period:

- Data Cleansing & Migration
- Master Data Management, including the required capabilities, functions and services to maintain the information and generate the required output
- Platform setup and operation
- Implementation and configuration

In terms of migration volumes, the source database size is approximately 250GB with a minimum record count of 610 million rows. The average amount of transactions per month is 2 million.

The GPAA's current client base is depicted below. This excludes inactive members. An increase in membership of 2% per year is estimated.

Client Type	Count
Members	1,278,000
Pensioners	363,000
Spouses	134,000
Orphans	1,200

## Vendor Requirements and Evaluation Criteria

The following will be seen as pre-requisites for bidder eligibility:

1. The vendor will be required to submit details of a minimum of 3 reference implementations which should include client confirmation of a successful implementation. The detail should include a high level reference architecture and details of user base and volumes.
2. The implementation will be done on site at the GPAA offices.
3. The vendor will provide the expertise and implementation skills necessary to complete the requirements.

To be eligible the bidder must provide detailed, descriptive answers to the following questions with reference to previous implementations that the bidder was involved in directly. Please use the reference numbers below as part of the response.

### Context

Context	<b>The purpose of the information document is to provide the respondent with as much contextual information as possible without detracting from the need for the respondent to confirm their understanding of the requirements.</b>
C1	<b>Clarification:</b> The Service Provider confirms that the information document and its addenda have been read and understood and are considered to be binding on the Service provider. Furthermore, any and all discrepancies and omissions have been clarified and will not prejudice the GPAA in any way during contracting.
C2	<b>Own Cost:</b> The Service Provider confirms that the cost of this RFP and related activity in the preparation of a response is entirely for their own account.
C3	<b>No collusion:</b> The Service Provider confirms that this response has been formulated entirely without collusion, and that any partnership, Joint Venture or sub-contract relationship has been disclosed.
C4	<b>Relationships:</b> Should there be a partnership, Joint Venture or other material relationship, please describe the nature of the relationship and also describe the benefits of these contractual arrangements to the GPAA.
C5	<b>Agreements:</b> Please attach a signed copy of any and all partnerships, Joint Ventures or sub-contract agreements specific to this RFP.
C6	<b>Comprehensive pricing:</b> The Supplier/respondent confirms that the pricing provided in this RFP is <b>not</b> "for budget purposes only" and that the pricing supports the deal principles, structure of the intended

	relationship and scope and duration of services required. Further all 3 <sup>rd</sup> party costs have been included in the pricing provided.
C7	<b>Fixed Unit Pricing:</b> All pricing associated with the delivery of the solutions and services shall be a <b>fixed price per unit</b> for the term of the project. In addition to the Fixed Unit Price, vendors are required to include a time and materials (T&M) rate for calculating the cost of a change in scope should the GPAA desire to adjust certain scope elements. In particular vendors must provide their base costs and show their margins and the intended increase indices. CPIx to be based on figures as published by StatsSA.
C8	<b>Price savings:</b> Confirm that any price reductions achieved during this and any future projects must be passed onto the GPAA. Vendors must show how continuous improvement includes cost improvement.
C9	<b>Pricing Assumptions:</b> The vendor confirms that all pricing assumptions have been documented transparently and provided in the pricing response sheets.
C10	<b>Risk identification:</b> Please describe any specific risks identified in respect of Section 1 of this Response document and the contextual information provided and your specific mitigating actions recommended for both the GPAA and your own organization.
C11	<b>Contract-ability:</b> This RFP is primarily intended to allow the GPAA to compare and evaluate vendor offerings with the intention of awarding a contract for outsource services. In good faith, the GPAA is seeking to minimize and ideally eliminate surprises from vendors during contract negotiation. Vendors must specifically define and clarify any contracting issues that they have identified and clearly demonstrate the contract arrangements they are seeking for the services.
C12	<b>Testimonials:</b> Provide references detailing previous engagements where your organization implemented an Enterprise Data Management solution

## Main Requirements

Requirement No	Requirement	Weighting (%)
<b>Service Requirements</b>		35
Breadth of Service	The Service Provider should be able to deliver the breadth of services required. The GPAA is likely to choose suppliers with a wide breadth of service, but reserves the right to select services from multiple vendors.	
ServReq-1	List the breadth of services that you provide – directly connected with this RFP.	5
Scale of service	The Service Provider must be able to support in the order of 1400 users and regions throughout Southern Africa. The GPAA's primary and secondary ICT locations are Hamilton Street Pretoria and MTN Gallo Manor Woodmead respectively.	
ServReq-2	Describe your recommended service delivery model, including key risk and performance indicators. Clarify why you have recommended this approach.	3
ServReq-3	Has your organization implemented a Data Migration and Management solution at clients that involved mainframe and Adabas technologies? Please elaborate with details and include the industry types, volumes and sizes.	5
ServReq-4	Provide details of your organization's experience in the Financial, Insurance and Pension Market segments.	4
Maturity	The company must show a high level of maturity and discipline in its methodology, processes and standards.	

ServReq-5	What industry standard methodologies, processes and standards has your company adopted?	2
ServReq-6	What accreditations, certifications or assessments has your company achieved relating to the above?	3
ServReq-7	Illustrate how mature your company is in its adoption of each of these best practices?	2
ServReq-8	Describe how your organization is applying these industry standards in clients and to what effect?	2
ServReq-9	Describe how your organization will ensure that the GPAA complies with various applicable legislative and regulatory requirements.	4
ServReq-10	Governance: Describe your outsource governance structures and how these ensure transparent risk mitigation.	2
ServReq-11	Describe and elaborate on how your organization will apply data retention and archiving policies. What legislation, regulation or policies would you reference?	3
<b>EDM Requirements</b>		<b>45</b>
Platform Requirements		
PFReq-1	Describe the implementation style of the solution. (Black box/COTS, bespoke/custom build...), including the use of open vs. proprietary standards and components	8
PFReq-2	Describe how migrated information will be exposed to existing internal and external consumers, as well as potential future integrations	8
PFReq-2	Considering the volumes within the “Timelines and Volume” section, would the solution be able to scale to cater for a scenario where these volumes increase by 50% in the next 5 years. If so, what would the cost implications be?	4
Data Migration		
DMReq-1	Describe your migration strategy and approach considering the current landscape and volumes. Include how the required audit and traceability will be provided to enable reconciliation between source and target.	5
Master Data Management		
MDMReq-1	Describe how the solution will offer the GPAA the facility to define and maintain meta and master data. Include whether support for multiple business entities is provided and how integration will be done to the current security mechanisms in terms of user authentication, authorisation and single sign-on.	5
Enterprise Data Model		
EDMReq-1	Describe how the data model within the solution will cater for entities within a defined benefit pension administration model and related accounting processes	5
Data Quality Monitoring		
DQMReq-1	Describe how your organization would assist the GPAA in automating Quality Control. What are the inherent risks and quality gates?	5
Data Management		
DMReq-1	Describe the strategy and approach to establish, embed and operationalise data management within the GPAA.	5
<b>Key General Company Information</b>		<b>10</b>

Company Summary	Please provide a summary of:	
CompReq-1	Describe the differentiators that you believe your organisation provides.	2
CompReq-2	Describe your organisation's operational presence within Southern Africa including, but not necessarily limited to: number and location of offices; type of presence (e.g. head office, regional office, service centre, branch); number of staff and contractors.	1
Reference Sites	Provide the following information about your major customers who currently use the services you are proposing:	
CompReq-3	A list of 3 existing customers in South Africa where a data migration and management solution have been implemented	3
CompReq-4	Contact name(s) and number(s) for South African customers, as well as the process of making contact with these.	2
CompReq-5	Please provide contact details of your most satisfied customer and state reasons for this high satisfaction.	1
CompReq-6	Please provide contact details of your most dissatisfied customer and state reasons for this dissatisfaction.	1
<b>Professional and Consulting Services</b>		<b>5</b>
Professional and consulting	Professional and consulting services are not included in this RFP however we would like you to describe your approach to the following, which may be used on an ad-hoc basis as the need arises	
PCS1	<p>Describe how you would:</p> <ul style="list-style-type: none"> <li>• Provide a suitable architecture design / consultation service as required by the GPAA.</li> <li>• At least annually provide an update to inform the GPAA of new service opportunities.</li> </ul>	5
<b>Project Management</b>		<b>5</b>
Project management	Please describe your intended project management service with respect to the following factors:	
PMReq-1	Will the minimum requirements (as per the Timelines and Volume section) be delivered within the specified timeframe?	3
PMReq-2	Project volume parameters: Number of similar projects managed; size of projects, duration, scope, etc.	2

## Additional requirements

<b>Due Diligence</b>	
<b>Due diligence objectives</b>	What do you want to achieve from a due diligence process?
DG1	Describe the objectives of your due diligence process.
DG2	Provide a list of the information you will require during due diligence.
<b>Due diligence process</b>	Describe the due diligence process you are planning to conduct at the GPAA. At a minimum please state the following:
DGP1	Due diligence staff: How many people will be on site at the GPAA?
DGP2	Staff purpose: Describe the purpose for each person for being on site
DGP3	The GPAA staff requirements: Describe which GPAA people/roles you will require to be available to assist your due diligence team – designation, experience, knowledge, etc.
DGP4	Agenda: List the items which you will conduct due diligence on.
DGP5	Plan: Provide an activity plan and timeline

<b>Vendor Assumptions</b>	
<b>General</b>	Please list all general assumptions you have made when compiling your

<b>assumptions</b>	response, stating to which service or part of the RFP the assumption refers, and the effect that this assumption has.
VA1	List your general assumptions with associated references.
<b>Pricing assumptions</b>	Please list all pricing assumptions you have made when compiling your response in the Pricing Table spreadsheet, stating to which service or part of the RFP the assumption refers, and the effect that this assumption has.
VA2	List your pricing assumptions with associated references.

## Evaluation Criteria

Selection of a vendor will be based on the responses to the above questions and the evaluation criteria below:

Item No.	Evaluation Criteria Item : <b>90/10Principle</b>	Weight
	Administrative Compliance (Phase 1)	
<b>A</b>	<p>SBDs:</p> <ul style="list-style-type: none"> <li>• Completed Standard Bidding Documents.           <ul style="list-style-type: none"> <li>◦ Invitation to Bid (SBD1)</li> <li>◦ Tax Clearance "Original" (SBD 2)</li> <li>◦ Declaration of Interest (SBD 4)</li> <li>◦ Preferential Points Claim Form (SBD 6.1)</li> <li>◦ Declaration of Past SCM Practices (SBD 8)</li> <li>◦ Certificate of Independent Bid Determination (SBD 9)</li> </ul> </li> <li>• In the hardcopy file, the original signed documents must be included.</li> <li>• Attendance of compulsory briefing session</li> </ul> <p><b>Failure to comply with the admin requirements will render the bid non responsive and will be disqualified.</b></p>	
	<i>With the individual points made up as follows:</i>	
	<b>Functionality (As per the RFP) (Phase 2)</b>	<b>minimum qualifying 60%</b>

<b>B</b>	<b>Relevant Skills and Experience and Industry Exposure:</b>	
	1. <b>Service Requirements:</b> Demonstrate the ability to deliver the breadth of services required the ability to support a large implementation within various regions throughout South Africa and show a high level of maturity and discipline in the methodology, process and standards used/adopted.	<b>35%</b>
	2. <b>EDM Specific Requirements:</b> Demonstrate an understanding of the RFP requirements and the ability to implement the requirements through demonstrating sound technical competency.	<b>45%</b>
	3. <b>Key General Company Information:</b> Provide references of similar projects done and demonstrate differentiating factors / value adds	<b>10%</b>
	4. <b>Thought Leadership and Professional Consulting Services:</b> Demonstrate the ability to provide leadership and innovation within the project.	<b>5%</b>
	5. <b>Project Management:</b> Demonstrate good project governance and project management experience. Also demonstrate the ability to execute projects successfully.	<b>5%</b>
	<b>NB Minimum 60% qualifications on functionality</b>	
	<b>Total weighting</b>	<b>100%</b>
<b>C</b>	Price (Phase 3) and B-BBEE Status Level of Contributor	90% 10%
	<b>Total Points</b>	<b>100%</b>

Selection will also be based on approval, by the GPAA architecture team, of a comprehensive design proposal.

Please inform the GPAA management of anything you deem missing from both this RFP document and the process being followed.

## Delivery Model

GPAA recognises the extent of the scope of work that the vendor will be engaging in to implement the Technical Architectural Design and implementation. The GPAA further recognises the importance of employing the correct Delivery Model from the onset. This will ensure that there is proper planning, phase identification and prioritization, improved coordination; reduced risk and the eventual execution is seamless, agile and relevant.

This work package requires that each bidder clearly defines its delivery method that will be employed. This section must include an outline of how some (not necessarily all) functions will be performed:

1. Project initiation approach (for people and technology)
2. Approach to due diligence, including expectations of the GPAA.
3. Problem Statement & Requirements Validation:

- a. Benefits Analysis with a mapping to the requirements
  - b. Technology - Infrastructure and Application Assessment.
  - c. Requirements Validation.
4. Engagement approach (at a project, account and management reporting level). Engagement can be with the GPAA Clients, other Projects, Internal Stakeholders, the GPAA Service provider and other GPAA 3<sup>rd</sup> Parties.
  5. Human Resource Management.
    - a. Description of the required skills and competencies (with volumes).
    - b. Sourcing and staff turnover management to ensure continued delivery.
    - c. Resource and performance management.
  6. Project management methodology and Project Governance Approach
  7. Execution methodology (Infrastructure, Software Development & Deployment methodology).
  8. Envisaged release management approach.
  9. Escalation Management.
  10. Approach to Risk Management
  11. Approach to Thought Leadership and Knowledge Management
  12. Describe how training, handover and skills transfer will be achieved
  13. Change Management.
  14. Handover approach.

## **Annexures**

**Annexure A**

**(GPAA)**

**SCM**

***Standard Bid Document***

## **INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE GOVERNMENT PENSIONS ADMINISTRATION AGENCY (GPAA)

BID NUMBER: **GPAA 15/2015** CLOSING DATE: **6 July 2015**  
CLOSING TIME: **11:00am**  
DESCRIPTION: **Enterprise Data Management.**

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT

BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT GPAA ADDRESSED TO:  
**Government Pensions Administration (GPAA)**  
34 HAMILTON STREET  
ARCADIA  
PRETORIA  
0001

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration. The bid box is generally open 8 hours a day between 08:00 to 16:30, Monday to Fridays.

ALL BIDS MUST BE SUBMITTED WITH THE STANDARD FORMS (NOT TO BE RE-TYPED).  
THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN THE BID BEING DISQUALIFIED) ALL STANADARD BIDDING DOCUMENT AS ATTACHED

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

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

CELLPHONE NUMBER.....

FACSIMILE NUMBER CODE ..... NUMBER.....

VAT REGISTRATION NUMBER .....

HAS A TAX CLEARANCE CERTIFICATE BEEN SUBMITTED (SBD2)?

YES/NO

SIGNATURE OF BIDDER .....

DATE .....

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

**PRICING SCHEDULE – FIRM PRICES**

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

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

Name of bidder...**GPAA 15/2015**Bid number: **GPAA 15/2015**Closing Time **11:00AM on 6 July 2015**

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

<b>ITEM NO</b>	<b>DESCRIPTION</b>	<b>BID PRICE IN RSA CURRENCY (INCLUDING VAT)</b>
<b>1</b>	<b>Data Migration</b> <ul style="list-style-type: none"> <li>• Define migration strategy</li> <li>• Data profiling and classification</li> <li>• Create data cleansing mechanisms and remedial plans</li> <li>• Data cleansing and enrichment</li> <li>• Migrate information from legacy systems</li> <li>• Automate delta processes to ensure information is kept updated</li> </ul>	<b>R</b>
<b>2</b>	<b>Master Data Management</b> <ul style="list-style-type: none"> <li>• Identify subject areas</li> <li>• Identify sources</li> <li>• Identify producers and consumers</li> <li>• Collect and analyse metadata</li> <li>• Develop master data model</li> <li>• Identify implementation model/style</li> <li>• Generate and test master data</li> <li>• Modify producing and consuming systems</li> <li>• Implement maintenance processes, including toolsets</li> <li>• Implement the required business functions and processes on the migrated and mastered information</li> <li>• Expose and disseminate migrated information to operational, strategic and corporate domains</li> </ul>	<b>R</b>
<b>3</b>	<b>Enterprise Data Model</b> <ul style="list-style-type: none"> <li>• Create common taxonomy</li> <li>• Define business rules</li> <li>• Define data rules</li> <li>• Map data entities to business processes</li> <li>• Map data entities to applications</li> <li>• Map technical metadata to business terms</li> </ul>	<b>R</b>
<b>4</b>	<b>Data Quality Monitoring</b> <ul style="list-style-type: none"> <li>• Define data quality monitoring strategy</li> <li>• Define data quality metrics</li> <li>• Create data quality dashboards and reports</li> </ul>	<b>R</b>
<b>5</b>	<b>Data Management</b> <ul style="list-style-type: none"> <li>• Define a data and information architecture that delivers operational, tactical and strategic quality information for analysis and decision making</li> <li>• Define a strategy to establish a data maintenance within the GPAA</li> <li>• Operationalise data management within the GPAA</li> </ul>	<b>R</b>
<b>6</b>	<b>Platform setup and operation</b>	<b>R</b>

	(As per architectural requirements)	
7	<b>Platform scaling</b> (As per requirement "PFReq-2" within the platform requirements)	R
8	<b>Initial cost and license for three years</b> (Including any additional licensing and related costs not available as per the current list of applications and licenses within the as-Is landscape)	R
9	<b>Implementation and configuration</b>	R
10	<b>Handover cost</b> • Documentation / procedures • End user and 'train-the-trainer' training • ICT support training • Architectural designs, configurations and related system documentation • Skills transfer • Governance aspects	R
11	<b>Maintenance and support year 1</b>	R
12	<b>Maintenance and support year 2</b>	R
13	<b>Maintenance and support year 3</b>	R
<b>TOTAL(VAT Inclusive)</b>		R

Required by: GPAA / CEO

At: 34 Hamilton str

Brand and model .....

Country of origin .....

Does offer comply with specification? \*YES/NO

If not to specification, indicate deviation(s) .....

Period required for delivery .....

\*Delivery: \*FIRM/NOT FIRM

Delivery basis .....

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

\* Delete if not applicable

## **DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where:-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

- 2.1 Full name of bidder / the representative:.....
- 2.2 Identity Number: .....
- 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):.....
- 2.4 Company Registration Number:.....
- 2.5 Tax Reference Number: .....
- 2.6 VAT Registration Number: .....

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

<sup>1</sup>“State” means –

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

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

- 2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**
- 2.7.1 If so, furnish the following particulars:
- Name of person / director / trustee / shareholder/ member:  
 .....  
 Name of state institution at which you or the person connected to the bidder is employed: .....  
 Position occupied in the state institution: .....  
 Any other particulars:  
 .....  
 .....  
 .....
- 2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**
- 2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**  
Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.
- 2.7.2.2 If no, furnish reasons for non-submission of such proof:  
 .....  
 .....  
 .....
- 2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**
- 2.8.1 If so, furnish particulars:  
 .....  
 .....  
 .....
- 2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**
- 2.9.1 If so, furnish particulars.  
 .....  
 .....  
 .....

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

YES/NO

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members YES/NO of the company have any interest in any other related companies whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

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

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

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

### 4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## **PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011**

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, 2011.**

---

### **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 R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the.....**90/10**.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
<b>1.3.1.1 PRICE</b>	<b>90</b>
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>10</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5. 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**

- 2..1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

- 2.3     **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4     **“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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5     **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6     **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7     **“consortium or joint venture”** 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;
- 2.8     **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9     **“EME”** means any enterprise with an annual total revenue of R5 million or less .
- 2.10    **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11    **“Functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12    **“Non-firm prices”** means all prices other than “firm” prices;
- 2.13    **“Person”** includes a juristic person;
- 2.14    **“Rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15    **“Sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16    **“Total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17    **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18    **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### **3. ADJUDICATION USING A POINT SYSTEM**

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### **4. POINTS AWARDED FOR PRICE**

#### **4.1 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**

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

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

### **5. Points awarded for B-BBEE Status Level of Contribution**

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6

7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

## 6. BID DECLARATION

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

### 7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

- 7.1 B-BBEE Status Level of Contribution: ..... = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

## **8 SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) What percentage of the contract will be subcontracted? ..... %
- (ii) The name of the sub-contractor? .....
- (iii) The B-BBEE status level of the sub-contractor?
- (iv) Whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

## **9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm: .....

9.2 VAT registration number: .....

9.3 Company registration number: .....

### **9.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

### **9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

### **9.6 COMPANY CLASSIFICATION**

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? .....

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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. ....

.....  
SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

ADDRESS:.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?  <b>To access this Register enter the National Treasury's website: <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

### CERTIFICATION

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

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

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

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

(Name of Bidder)

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

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**Annexure B**

**(GPAA)**

**SCM**

***Special Conditions of Contract***

## **Special Conditions of Contract**

### **General Notes**

The purpose of this Special Conditions of Contract (SCC) is to:

- (i) Draw special attention to certain special conditions applicable to Bids, Contracts, Agreements and Orders of the Government Employee Pension Fund (GPAA); and
- (ii) To ensure that all bidders are familiar with the special provisions, requirements and conditions that will be applicable in the undertaking of the project and which will form part of the contract documentation and of which due cognisance must be taken in the bidding process.

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 (GCC) also forms part of all bidding documents and must be read in conjunction with this Special Conditions of Contract.

Whenever there is a conflict between the GCC and the SCC, the provisions in the SCC shall prevail.

#### **1.1. Bid Submission**

1.1.1. Bidders will be permitted to submit bids by:

Hand: 34 Hamilton Street, Arcadia, Pretoria

1.1.2. Closing Date: **6 July 2015**

1.1.3. Closing time: **11:00am**

1.1.4. Compulsory briefing session will held on Friday, **19 June 2015** on 34 Hamilton Street, Arcadia, Pretoria at **09:00am**.

#### **1.2. Validity of Bids**

1.2.1. Bidders are required to submit bids valid for **120** days.

#### **1.3. Two-stage Bidding**

1.3.1. For this bid, a two-stage bidding procedure will be used, under which first unpriced

technical proposals on the basis of a conceptual design or performance specifications are invited. The price proposal will only be considered after the technical proposal has been confirmed as being competent and compliant.

- 1.3.2. Suppliers are requested to submit their proposal in separate envelopes, with the technical proposal separated from the price proposal.
- 1.3.3 A minimum number of **five** (5) copies of the technical proposal are required as well as **five** (5) copies of the pricing proposal in a separate envelope.
- 1.3.4 Only suppliers who meet the minimum of **60%** on functionality will be considered for second stage of evaluation.
- 1.3.5 Government Pension Administration Agency (GPAA) reserve the right to increase or decrease the number of suppliers awarded based on decision deemed fit and the workload to be carried out.

#### **1.4. Late Bids**

- 1.4.1 Bids received after the time stipulated will not be considered. Late bids will be posted back to the bidder un-opened.

#### **1.5. Clarification or Alterations of Bids**

- 1.5.1 Bidders will not be requested or permitted to alter their bids after the deadline for receipt of bids.
- 1.5.2 Requests for clarification needed to evaluate bids and the bidder's responses should be made in writing.

#### **1.6. Administrative requirements**

If a bid is not substantially responsive, that is, it contains material deviations from or reservations to the terms, conditions and specifications in the bidding documents, it will not be considered further.

- 1.6.1. It will be ascertained whether bids:
  - a. Include original tax clearance certificates;
  - b. Include compulsory SBD forms that have been properly signed and completed (SBD 3.1; SBD4; SBD 6.1; SBD 8 and SBD 9);
  - c. Include a technical proposal / response;
- 1.6.2. The bidder will not be permitted to correct or withdraw material deviations or reservations once bids have been opened.
- 1.6.3 GPAA reserve the right to add and remove refreshments and consumables listed and not listed.

#### **1.7. Rejection of all Bids**

GPAA reserves the right to reject of all bids if and when deemed necessary. This is justified when there is lack of effective competition, or bids are not substantially responsive.

**1.8. Associations between Consultants**

1.8.1. Consultants are encouraged to associate with each other to complement their empowerment credentials and their respective areas of expertise, or for other reasons. Such an association may be for the long term (independent of any particular assignment) or for a specific assignment. The association may take the form of a joint venture or a sub consultancy.

1.8.2. Consultants who do form a joint venture will agree on their terms and conditions and inform the GPAA of the details of such a joint venture for approval.

**1.9 Bidder Selection**

1.9.1 The GPAA reserves the right to select the appropriate bidders based on its requirements, and the decision of the adjudication panel and the CEO of GPAA will be considered final.

**1.10 Project team to service GPAA**

Note that if changes are made to the Project team proposed in the tender after the bid has been awarded, this has to be cleared with GPAA first.

**Annexure C**

**(GPAA)**

**SCM**

***General Conditions of Contract***

## **GPAA PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

The purpose of this Annexure is to:

- i. Draw special attention to certain general conditions applicable to GPAA 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 GPAA.
- 
- 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

## 1. DEFINITIONS

The following terms shall be interpreted as indicated:

- 1.1. "**Closing time**" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. "**Contract**" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3. "**Contract price**" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. "**Corrupt practice**" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public employee in the procurement process or in contract execution.
- 1.5. "**Countervailing duties**" are imposed in cases where an enterprise abroad is subsidized by its GPAA 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 employee written order issued for the supply of goods for 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 96 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 State Tender Bulletin. The State Tender Bulletin may be obtained directly from the Government

Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.employee.gov.za](http://www.employee.gov.za).

#### **4. STANDARDS**

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

#### **5. USE OF CONTRACT DOCUMENTS AND INFORMATION; INSPECTION**

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

#### **6. PATENT RIGHTS**

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

#### **7. PERFORMANCE**

- 7.1. Within thirty (30) days of receipt of the notification of contract award, 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:
- 7.3.1. 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
- 7.3.2. 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 is 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 Energy Board 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 OF 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. 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.
- 15.6. 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 fulfilment of other obligations stipulated in the contract.
- 16.3. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4. Payment will be made in Rand unless otherwise stipulated 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 contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. DELAYS IN THE SUPPLIERS 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 local authorities.

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

## **22. PENALTIES**

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

## **23. TERMINATION FOR DEFAULT**

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

- a.if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - b.if the Supplier fails to perform any other obligation(s) under the contract; or
  - c.if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

## **24. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS**

- 24.1. When, after the date of bid, provisional payments are required, or antidumping 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.
- 27.6. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6.

## **28. LIMITATION OF LIABILITY**

- 28.1. 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.
- 28.2. 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, GPAA 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.