



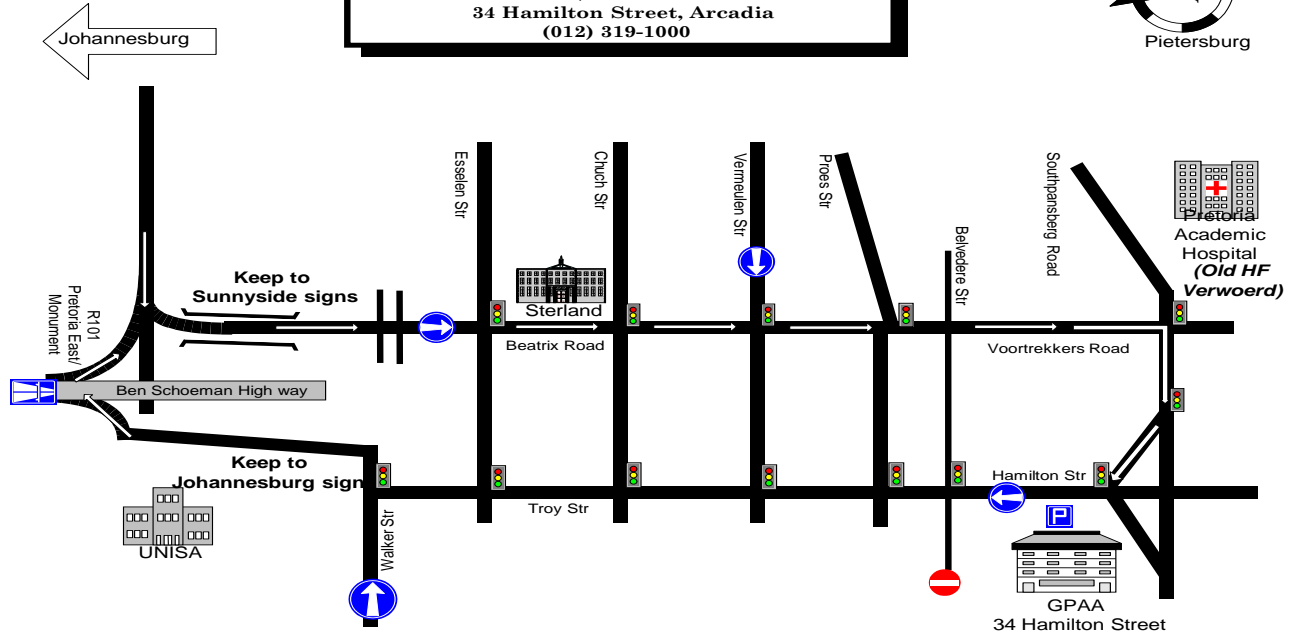
the gpaa

Department:
Government Pensions Administration Agency
REPUBLIC OF SOUTH AFRICA

Government Pensions Administration Agency (The GPAA)

Request for proposal (RFP) for printing and mailing services for GPAA

**Map to
Chief Directorate : Pensions Administration
(GPAA)
34 Hamilton Street, Arcadia
(012) 319-1000**



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1. Terms of Reference

INTRODUCTION AND BACKGROUND

Government Pensions Administration Agency (The GPAA) is a Government Component established in terms of Section 7A (4) of the Public Service Act (1994) with effect from 1 April 2010 and its mandate is to administer pensions on behalf of GEPF , the largest pension fund in Africa, and National Treasury. It thus administers the pension affairs of approximately 1,7 million government employees and those of pensioners, spouses and dependants.

OBJECTIVE

The GPAA intends to appoint a company to render bulk printing and mailing services to enable the organisation to execute its operational mandate.

INVITATION

Printing and mailing companies with relevant skills and experience are invited to submit proposals to the GPAA, for the printing and mailing service for a period of five (5) years (3+1+1). The GPAA reserves the right to renew the contract subject to a satisfactory performance report done in year three (3) and in year four (4).

Companies need to demonstrate proven experience in handling bulk printing, converting and translating of contact details and membership numbers of members onto envelopes, the preparation of communique for printing and mailing services.

SUBCONTRACTING REQUIREMENT

The successful bidder will be required to subcontract a minimum of 30% to an EME or QSE, which is at least 51% black-owned. The SBD 6.1 form should address this clearly with all the required supporting documents.

The GPAA will not be involved in the subcontracting arrangements between the successful bidder and its sub-contractors.

NOTE: A tender that fails to meet this pre-qualification requirement as stipulated above, will be considered unacceptable and will not be evaluated further.

Description of the required services (Bill of Quantities)

- The winning bidder will be appointed for a period of five (5) years (3 +1 +1). The GPAA reserves the right to renew the contract subject to a satisfactory performance report done in year three (3) and in year four (4).
- The bidders' financial proposals should indicate the proposed expenditure over the contract period, and reflect the possible increases in material and production costs, labour, etc. annually.

Service requirements:

- Proven experience in handling a large volume of printing.
- Proven ability and track record in converting and translating clients' membership numbers, print clients' names and postal addresses on labels and affix them onto envelopes, insert printed material into envelopes, sort, seal, bundle and **deliver to the Post Office** for postage.
- Manage the GPAA publications and distribution list by ensuring that all publications are printed and mailed on time.
- Post all copies of the requested printed material within a week of printing.
- Manage a comprehensive distribution list with periodic updates of the list. The current distribution list will be provided to the appointed company.
- The appointed company will also be required to print products' leaflets, posters, tax certificates, desk calendars, notepads, business cards, complimentary slips, annual reports, and other organisational documents and reports.
- **Artwork and proofs:**
 - The GPAA will create artwork and provide print-ready files in a required format to the appointed company, thus the winning bidder will not be required to create artwork on any of the items during the contract.
 - The appointed company will be required to provide the GPAA with proofs for sign off prior to commencement of actual printing / production.
- **Production schedule:** The appointed company will be required to present a production schedule with timelines for each job.
- **Status meetings:** The company's account manager will be required to schedule regular meetings with the GPAA for status feedback.
- **Exchange of files / data:**
 - Exchange of information will be done using files.
 - Communication mechanism will be secure over the Internet and will be done either using Connect: Direct protocol or SFTP. The winning bidder will be required to specify their communication preference.

- The successful bidder must provide a staging server that will be used for communication between the GPAA and the bidder.
- The successful bidder will be required to ensure that the staging server is adequately secure by employing Information Security methods such as firewalls, to ensure that the server is resistant to hacker attacks.
- The GPAA will initiate all file exchanges with the successful bidder. i.e. The GPAA will establish a connection with the staging server, send or receive files and close the connection.
- The successful bidder must have automated measures to identify incoming files from the GPAA.
- Detailed file exchange protocols and details of file layouts will be finalised between the GPAA and the successful bidder.

SCOPE OF WORK

Scope of work covers **printing, mailroom and packaging service**. The indicated quantities are not guaranteed and firm as this may be increased and/or decreased dependent on the business and business requirements are adapted to changes.

Please note: The GPAA is going through modernization programme and has recently embarked on digital communication project with the aim of minimising posted communication. The end goal of the project is to send newsletters electronically as opposed to posting the printed copies, thus, quantities for printing and mailing newsletters could decrease during the period of the contract.

The following are requirements for the printing, mailroom and packaging services required:

1. Printing service

Printing of the following is required:

- Newsletters;
- Reports (including the organisation's Annual Reports);
- Membership booklets;
- Frequently Asked Questions (FAQs) documents;
- Tax certificates: There are eight different batches or types of tax certificates that will be tested separately before printing commences.
- Benefit statements;

- Marketing material such as posters, pamphlets, tent and desk calendars, notepads, business cards, complimentary slips, diaries; and
- Correspondence letters.

A detailed breakdown of printing requirements and estimated quantities is provided in Annexure A of the Standard Bid Document

2. Packaging information packs service

Packaging information packs consisting of 10 types of products leaflets, membership booklet, notepad, programme, feedback form and a pen.

- Information packs to be delivered to the GPAA three (3) times per year.
- A detailed breakdown of packaging requirements and estimated quantities is provided in Annexure A of the Standard Bid Document

3. Mailroom service

The following is a description of the required mailroom service:

- Preparation of personalised documents for printing. i.e. mail merging personal information with the appropriate template as provided by the GPAA.
- Preparation of packaged printed materials for shipping by local Post Office (outbound mail) or delivery to the GPAA.
- Ensuring that the outbound mail is handled effectively and efficiently with minimum mailing costs (appropriate postage, maximum rebates, etc.)
- Quality assurance of the posting activities, troubleshooting and resolution of all possible related problems.
- Managing delivery sheets as proof of delivery.
- Submitting a detailed report (with the delivery sheets as annexure) including costs to the GPAA.
- Posting all copies of the material within a week of printing.
- Managing a comprehensive distribution list with periodic updates of the list, in compliance with all applicable laws, specifically PoPI Act.
- Address validation and cleansing as per PAMSS requirements.

A detailed breakdown of Mailroom service requirements and estimated quantities is provided in Annexure A of the Standard Bid Document

Items that requires mailroom

Please note that the GPAA has an account with the Post Office, thus bidders should not include postage fees in their proposals.

- **GEPF Pensioners Newsletter (FundNews)** 3 x A3 folded to A4 then DL (self cover) Print copies of the newsletters, laser print members' names and postal addresses onto labels then affix labels on envelopes, insert newsletters into envelopes, sort, seal, bundle and **deliver to the Post Office 4 times per year**
- **GEPF Pensioner Payment Remittances:** 4 times per year. The GPAA will provide the template and data to populate template.
- **GEPF Active Members Newsletter (FundTalk)** 3 x A3 folded to A4 then DL (self cover): Print copies of the newsletters, laser print members' names and postal addresses onto labels then affix labels on envelopes, insert newsletters into envelopes, sort, seal, bundle and deliver to the Post Office 4 times per year
- **Tax Certificates** Generate and print personalised tax certificates. Printed in 8 different batches for Monthlies, Estates, Funeral benefits and Gratuities: Insert tax certificates into envelopes, sort, seal, bundle and deliver to the Post Office once a year.
 - **Printed in 8 different batches;** Funeral Benefits – IT3(a)s; Funeral Benefits – IRP5s; Gratuities – IT3(a)s; Gratuities – IRP5s; Annuities IT3(a)s; Annuities IRP5s; Estates IT3 (a)s; Estates - IRP5s.
- **Annual Pension Increase letters for pensioners:** Generate and print personalised pension increase letters using a given template, pension numbers and other pensioner information, laser print members' names and postal addresses onto labels then affix labels on envelopes, insert letters into envelopes, sort, seal, bundle and deliver to the Post Office once a year.
 - **A Frequently Asked Questions (FAQ)** document will be enclosed with the pension increase letter in each envelope.
- **Calendars for pensioners:** Enclose the calendars with the 3rd quarter newsletter at the end of the year, sort, seal, bundle and **deliver to the Post Office** once a year.
- **Pensioner cards and letters:** Generate and print personalised cover letter for pensioner cards. Print and insert pensioner cards and letters in envelopes and sort, seal, bundle and **deliver to the Post Office** weekly.
 - Each pensioner card is enclosed with a letter.

- Each pensioner card is personalised.
- Plastic, credit card format pensioner card to be used.

- **Benefit Statements:** Generate and print personalised benefit statement based on a given template and provided member information, laser print members' names and postal addresses onto labels then affix labels on envelopes, insert statements into envelopes, sort, seal, bundle and **deliver to the Post Office once a year.**
- FAQ document and a personalised letter to be enclosed in the same envelope together with the benefit statement.

- **Personalised correspondence letters:** Generate and print personalised correspondence based on a given template and member or pensioner information, insert letters into envelopes, sort, seal, bundle and **deliver to the Post Office annually.**

Please note:

- The appointed company will be required to do address validation and issuing of Postal Address Management Services Suppliers (PAMSS) certificates.
- Printing of address details on labels and affix onto DL maximum non-window envelopes including bar codes for the return mail monitoring by the GPAA on all of the above.
- In case of a normal letter a DL maximum window envelope will be utilised including bar codes for the return mail monitoring by the GPAA.
- The GPAA will provide information for all correspondence that require mailing.
- The appointed company is required to observe confidentiality in terms of the members' personal details. All personal and financial information will be kept encrypted and will be suitably deleted once printing is done.
- Quantities on the specifications document are subject to change. Quantities might be increased or decreased per requirements.

Item No.	Evaluation Criteria Item : 90/10 Principle	Weight
	ADMINISTRATIVE COMPLIANCE(PHASE 1)	
A	<p>I. Valid Tax Clearance Certificate or SARS Pin certificate or CSD report</p> <p>II. All included Standard bidding document must be completed and signed in full</p> <p>III. Full acceptance of GPAA's required services and scope of work items</p> <p>IV. Demonstrate a minimum of 30% subcontracting to an EME or QSE which is at least 51% black-owned.</p> <p>Failure to comply with the required administrative compliance documents may render your bid unacceptable for further evaluation.</p>	
<i>With the individual points made up as follows:</i>		
B	<p>Functionality(PHASE 2)</p> <p>1. Company profile and experience</p> <p>1.1 Years of experience in specifically bulk printing and mailing and briefly describe your service offering</p> <p>1.2 Summary of your company's key differentiating factors: A value proposition in terms of addressing the GPAA's requirements and why the bidder is the best-suited partner for the GPAA to deliver its printing and mailing needs</p> <p>1.3 Three reference letters from your largest contactable and reputable clients not older than three years outlining the following services:</p> <ul style="list-style-type: none"> • Printing and mailing newsletters on a monthly or quarterly basis; • Printing and mailing benefits statements and personalised letters; • Production and mailing PVC cards on a weekly or monthly basis; and • Packaging information packs for campaigns) <p>2. Company's capability and previous experience</p> <p>2.1 Ability to communicate securely with the GPAA</p> <p>2.2 Ability to prepare printed material for mailing and for delivery at our offices within the required timelines</p> <p>2.3 List of your top and/or largest three clients during the last five years indicating printing quantities, industry type, contract value and duration of the contract.</p> <p>3. Methodology to address the specific requirements of the GPAA</p> <p>3.1 Outline quality check and assurance approach</p> <p>3.2 Outline account management approach</p> <p>3.3 Demonstrate compliance to Covid-19 regulations as prescribed for the work environment, focusing on clients and employees' safety.</p>	<p>100%</p> <p>30%</p> <p>10%</p> <p>10%</p> <p>10%</p> <p>40%</p> <p>5%</p> <p>10%</p> <p>25%</p> <p>30%</p> <p>10%</p> <p>10%</p> <p>5%</p>

	3.4 Please describe in detail how printed material will be managed in terms of record keeping and deliveries to our offices.	5%
	Minimum 60% qualifications on functionality	
C	Price and Preference (PHASE 3)	90/10
	PLEASE NOTE THAT THE GPAA REQUESTS THAT TENDERERS SUBMIT A CERTIFIED COPY OF THEIR BEE CERTIFICATE RATHER THAN AN ORIGINAL CERTIFICATE. SHOULD THE TENDERER WISH TO SUBMIT AN ORIGINAL IN ADDITION TO THE CERTIFIED COPY, THE TENDERER MAY DO SO, BUT THAT WOULD BE IN ADDITION TO THE CERTIFIED COPY	

GUIDE TO RESPOND TO RFP EVALUATION CRITERIA

IMPORTANT NOTE:

All submitted documents/attachments/certificates/annexures should be referenced in an INDEX in your Proposal
Documents and evidence must be submitted in the order requested.

PHASE 1-ADMINISTRATIVE COMPLIANCE

- Submit and sign all the required documents
- A signed declaration of full acceptance of GPAA's required services and scope of work items must be attached.
- Contracts and/or engagement documents demonstrating a minimum of 30% subcontracting to an EME or QSE which is at least 51% black-owned must be attached.

PHASE 2- FUNCTIONALITY EVALUATION

1. Company profile and experience

- 1.1 Years of experience in specifically bulk printing and mailing and briefly describe your service offering.
- 1.2 Summary of your key differentiating factors: A value proposition in terms of addressing the GPAA's requirements and why you are the best-suited partner for the GPAA to deliver its printing and mailing needs.
- 1.3 Attach a minimum of three reference letters not older than three years from your largest and reputable clients outlining the following services:
 - Printing and mailing newsletters on a monthly or quarterly basis;
 - Printing and mailing benefits statements and personalised letters;
 - Production and mailing PVC cards on a weekly or monthly basis; and
 - Packaging information packs for campaigns)

Please note:

- Only letters relevant to the specified services will be considered.
- The contact details of the signatory must be provided.
- The GPAA reserves the right to verify these reference letters.

2. Company’s capability and previous experience

- 2.1 Demonstrate your company’s ability to communicate and exchange data files securely with the GPAA.
 - Outline the approach and systems that you have in place.
- 2.2 Demonstrate your high volume printing and mailing capability by outlining timelines for the following services:
 - Printing and mailing x 1.5 million newsletters
 - Printing and mailing x 700 benefit statements
 - Printing x 1500 internal magazines
 - Producing x 1500 calendars and x 1500 diaries
 - Packaging x 1500 information packs with 10 brochures, notepad and a pen.
- 2.3 List of your top and/or largest **three** clients during the last five years indicating printing quantities, industry type, contract rand value and duration of the contract. Attach copies of invoices or purchase orders as evidence.
 - 2.3.1 Printing volumes / quantities (5%). Attach copies of invoices or purchase orders as evidence.
 - 2.3.2 Industry type (5%)
 - 2.3.3 Year contract was awarded. (5%)
 - 2.3.4 Contract rand value (5%)
 - 2.3.5 Duration of the contract (5%)

The response on the aforementioned should be reproduced in the table format below:

Client	Quantities	Frequency	Industry type	Year contract was awarded	Rand value of the entire contract
	1. Quantities of printed and mailed newsletters + frequency				
	2. Quantities of printed brochures/booklets; calendars; benefit statements				
1.					
2.					
3.					

3. Methodology to address the specific requirements of the GPAA

- 3.1 Outline your quality check and assurance approach by briefly describing quality control process for printing x 1.5 million copies of the newsletters, laser printing members’ names and postal addresses onto labels then affixing labels on envelopes, inserting newsletters into envelopes, sort, seal, bundle and deliver to the Post Office

- 3.2 Describe in detail how effectively and efficiently you will manage the contract.
 - The GPAA requires a service level agreement (SLA) to be agreed upon and signed off. Outline the measures to be put in place to meet the SLA.
- 3.3 Describe how you will deliver the service without compromising the health of the GPAA's clients and employees in terms of COVID-19 precautionary measures.
 - The GPAA is classified as an essential business in terms of COVID19. The bidder must describe measures for ensuring business continuity in terms of continued service delivery to the GPAA in case of disaster (e.g. COVID19 related lockdown).
- 3.4 Please describe in detail how printed material will be managed in terms of record keeping and deliveries.
 - Outline the approach and record keeping mechanisms.

General and technical enquiries:

(Technical enquiries will be directed to Business Unit)

Mrs Renee Stander
Supply Chain Management
E-mail: renee.stander@gpaa.gov.za

Annexure A

(GPAA)

SCM

Standard Bid Document

PART A

INVITATION TO BID

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

BID NUMBER	GPAA 14/2020	CLOSING DATE	30 OCTOBER 2020	CLOSING TIME	11:00
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DESCRIPTION	PROVISION OF PRINTING MAILING SERVICES
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BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

34 HAMILTON STREET

ARCADIA

PRETORIA

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

TECHNICAL ENQUIRIES MAY BE DIRECTED TO

CONTACT PERSON	RENEE STANDER
----------------	----------------------

CONTACT PERSON	NKINKI MUTCHINYA
----------------	-------------------------

TELEPHONE NUMBER	N/A
------------------	------------

TELEPHONE NUMBER	N/A
------------------	------------

FACSIMILE NUMBER	N/A
------------------	------------

FACSIMILE NUMBER	N/A
------------------	------------

E-MAIL ADDRESS	renee.stander@gpaa.gov.za
----------------	----------------------------------

E-MAIL ADDRESS	Nkinki.Mutchinya@gpaa.gov.za
----------------	-------------------------------------

SUPPLIER INFORMATION

NAME OF BIDDER	
----------------	--

POSTAL ADDRESS	
----------------	--

STREET ADDRESS	
----------------	--

TELEPHONE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

NUMBER	
--------	--

CELLPHONE NUMBER	
------------------	--

FACSIMILE NUMBER	CODE		NUMBER	
------------------	------	--	--------	--

NUMBER	
--------	--

E-MAIL ADDRESS	
----------------	--

VAT REGISTRATION NUMBER	
-------------------------	--

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN	OR	CENTRAL SUPPLIER DATABASE No	MAAA
----------------------------	---------------------------	----	------------------------------	------

TAX COMPLIANCE SYSTEM PIN	
---------------------------	--

OR

CENTRAL SUPPLIER DATABASE No	
------------------------------	--

MAAA	
------	--

**A BBBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs)
MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR BBBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
---	--	--	--

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> Yes <input type="checkbox"/> No

BBBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	BBBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
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IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes 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 / his or her representative:

2.2 Identity Number:

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

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.

¹“State” means –

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

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

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

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, or 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 of the company have any interest in any other related companies, whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

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

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

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

4 DECLARATION

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

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

I ACCEPT THAT THE STATEMAY 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 2017

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

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

1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated to

1.2.1 **exceed / not exceed** R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.2.2 either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

1.3 Points for this bid shall be awarded for:

- Price; and
- BBBEE Status Level of Contributor.

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

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

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

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

2. DEFINITIONS

2.1 “**BBBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

- 2.2 “**BBBEE status level of contributor**” means the BBBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.3 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

- 2.4 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.5 **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 2.6 **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- 2.7 **“prices”** includes all applicable taxes less all unconditional discounts;
- 2.8 **“proof of BBBEE status level of contributor”** means:
 - BBBEE Status level certificate issued by an authorized body or person;
 - A sworn affidavit as prescribed by the BBBEE Codes of Good Practice;
 - Any other requirement prescribed in terms of the BBBEE Act;
- 2.9 **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 2.10 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM:

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

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

Where

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

4. POINTS AWARDED FOR BBEE STATUS LEVEL OF CONTRIBUTOR

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

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

5. BID DECLARATION

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

BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1:

BBEE Status Level of Contributor: = (maximum of 10 or 20 points)

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

6. SUB-CONTRACTING

6.1 Will any portion of the contract be sub-contracted? (*Tick applicable box*)

Yes No

If yes, indicate:

- a) What percentage of the contract will be subcontracted%
- b) The name of the sub-contractor:
- c) The BBEE status level of the sub-contractor:
- d) Whether the sub-contractor is an EME or QSE (*Tick applicable box*)

Yes No

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

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

7. DECLARATION WITH REGARD TO COMPANY/FIRM

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

7.4 TYPE OF COMPANY/ FIRM (*Tick applicable box*)

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

7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

7.6 COMPANY CLASSIFICATION (*Tick applicable box*)

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

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

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

- a) the information furnished is true and correct;
- b) the preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- c) in the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct; and
- d) if the BBBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have to:
 - disqualify the person from the bidding process;
 - recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - 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;

- recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- forward the matter for criminal prosecution.

SBD 6.1

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

DATE:

ADDRESS

.....

.....

WITNESSES

1.

2.

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

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of _____ that:

(Name of Bidder)

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

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Annexure B

(GPAA)

SCM

Special Conditions of Contract

Special Condition 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 Pensions Administration Agency(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 with the inclusion of samples by:
Hand: 34 Hamilton Street, Arcadia, Pretoria

1.1.2. Closing Date: **30 October 2020**

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

1.1.4. Due to restrictions on gatherings there will not be a briefing session, however, bidders will be given an opportunity to send clarity seeking questions if any to

renee.stander@gpaa.gov.za. Responses to the questions will be uploaded on our website.

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 un-priced 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.

1.3.3 Bidders are required to submit reference letters from three audited clients similar to the GPAA, attesting to excellence of professional services rendered in the past two financial years.

1.3.4 Bidders are requested to submit their proposal in separate envelopes, with the technical proposal separated from the price proposal.

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. Completeness of Documentation

1.6.1. It will be ascertained whether bids:

- a. Include original tax clearance certificates;
- b. Have been properly signed and completed;
- c. Are substantially responsive to the bidding documents; and
- d. Are generally in order.

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

not be considered further.

- 1.6.3. The bidder will not be permitted to correct or withdraw material deviations or reservations once bids have been opened.

1.7. Rejection of all Bids

The GPAA reserves the right to reject 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.

Annexure C

(GPAA)

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 the 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

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 the 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 markets its goods on own initiative in the RSA at lower prices than that of the country of origin, when there is 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 sub-contractors) 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.

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 as mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (with 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 make the necessary arrangements, including payment arrangements with the testing Energy Board concerned.
- 8.4. If the inspections, tests and analysis 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 Service.