

TERMS OF REFERENCE

FOR

OPEN TENDER

PROVISION, INSTALLATION AND MAINTENANCE OF AN INTEGRATED, AUTOMATED END-TO-END SUPPLY CHAIN MANAGEMENT SYSTEM

ICT/2022/006

**Compulsory Virtual Briefing Session: 24 October
2022 11:00am to 13:00 noon**

Closing date: 31 October 2022 at 12:00 noon

Validity Period: 180 days

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 1 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

TABLE OF CONTENTS

1	TABLE OF ACRONYMS:.....	3
2	BACKGROUND	3
3	OBJECTIVE	3
4	PROJECT/CONTRACT PERIOD	4
5	SCOPE OF PROJECT	4
6	OUTCOMES AND DELIVERABLES.....	4
7	REQUIREMENTS.....	9
8	CONTENT OF SUBMISSIONS – VERY IMPORTANT	10
9	SCORING GRID (TO BE LINKED WITH EVALUATION PROCESS UNDER 13).....	11
10	PREFERENTIAL POINT SYSTEM FOR EVALUATION	13
11	CLOSING DATE.....	13
12	PAYMENT TERMS.....	13
13	EVALUATION PROCESS.	13
14	NOTES TO BIDDERS	16
15	GENERAL	16
16	DISCLAIMER.....	17
	ANNEXURE A	18
	ANNEXURE B	23

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 2 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

1 TABLE OF ACRONYMS:

Acronym	Description
merSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
SCM /SCMU	Supply Chain Management / Supply Chain Management Unit
CEO	Chief Executive Officer
CSD	Central Supplier Database
CSV	Comma-separated Values
GP	Microsoft Dynamics Great Plains
PO	Purchase Order
PR	Purchase Requisition
CSD	Central Supplier Database
PPPFA	Preferential Procurement Policy Framework Act
B-BBEE	Broad-Based Black Economic Empowerment
GRV	Goods Received Voucher
ERP	Enterprise Resource Planning
MIS (Unit)	Management Information Systems
Integration	The action of combining multiple systems/programs in an effective way.

2 BACKGROUND

The merSETA is the Manufacturing, Engineering and Related Services Education and Training Authority established to promote the Skills Development Act, (Act No. 97 of 1998). It facilitates skills development in the following sub-sectors: metal and engineering, automotive manufacturing, motor retail and component manufacturing, new tyre manufacturing and plastics industries.

3 OBJECTIVE

The MerSETA requires services of a bidder who will supply, install, and maintain an integrated, automated end-to-end Supply Chain Management System, and support services that will best meet its needs.

The Supply Chain Management Unit (SCMU) currently has no electronic system for the administration of supply chain management processes.

The Finance unit is using the Great Plains accounting system for the organisation's finance processes.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 3 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

4 PROJECT/CONTRACT PERIOD

The contract will be for a period of five (5) years commencing from the date of the last signature.

5 SCOPE OF PROJECT

The above-mentioned solution must encompass the full automation of the Supply Chain and Contract Management Systems.

6 OUTCOMES AND DELIVERABLES

The scope of this project will focus on the following aspects to achieving the Outcomes and Deliverables:

- (i) Proposed solution must have integration capabilities to merSETA ERP Solution (Microsoft Great Plains 2018), service provider will be required to configure and maintain the integration services.
- (ii) Fully Configured, Integrated, Tested and Implemented Solution.
- (iii) Trained Administrators and End-Users.
- (iv) Concise Manuals for End-Users and Administrators
- (v) Technical Architecture Documentation.
- (vi) Solution Backup Strategy, Implementation, Maintenance and Support.
- (vii) System Support i.e. technical support in respect of IT and IT network integration and support of the system and the work that must be processed through the system.
- (viii) Create a Contract Management Module that links to the budget
- (ix) Create an inventory Management Module
- (x) Development of Custom Reports
- (xi) Development of automation (letters, statements, remittance advices, etc)
- (xii) Development of System Integration
- (xiii) The system must be able to integrate with most systems (e.g. CSD)
- (xiv) Testing of System Integration
- (xv) Work Flow Process testing & implementation

6.1. SUPPLY CHAIN MANAGEMENT

Listed below are the merSETA Supply Chain Management functions and processes, and these must all be automated. Bidders must provide solutions which include but are not limited to the items listed below:

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 4 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

**The document with the latest revision date is the current official document*

CURRENT SCM PROCESS (A)	REQUIRED FROM THE NEW AUTOMATED SYSTEM TO BE OFFERED BY THE BIDDER (B)
6.1.1 BUDGET	6.1.1 This is what the automated system must be able to do.
6.1.1.1 A (i) No system in place. Budget is verified manually.	6.1.1.1 B (i) System must be able to link the budget housed in the accounting system and indicate if funds are available or not. This must be arranged in specific cost code/ cost centre.
6.1.2 DEMAND PLAN	This is what the automated system must be able to do.
6.1.2.1 A (i) Receiving demand plans from End Users on template. Consolidation of Procurement plan by the SCM (ii) Closing date is communicated via e-mail. (iii) No system in place	6.1.2.1 B (i) Demand plan template which must enable end users to capture the procurement plans onto the system. (ii) Closing date for submissions must be built into the system. (iii) The system must enable SCM to extract reports from the consolidated procurement plan.
6.1.3 PROCUREMENT Closed Tender Process (Request up to R1 000 000)	This is what the automated system must be able to do.
6.1.3.1 A (i) Purchase Requisition from end-user. (ii) Budget holder approves the purchase requisition by appending signature onto the form. (iii) No system in place (iv) Separation of duties not automated. (v) No alerts in place (vi) No automated escalations in place. (vii) Documents are accessed via e-mail.	6.1.3.1 B (i) Capturing of purchase requisitions by end users onto the system. (ii) System must enable budget holders to approve purchase requisitions (PR) on the system. (iii) Generation of PR numbers. (iv) System must be able to assign tasks according to certain roles and responsibilities must have parameters for separation of duties. (v) Alerts for all role players e.g. budget holders, SCM, end users. (vi) Escalations with time frames (vii) SCM must be able to access documentation sent by end users.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 5 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

(viii) Reasons for rejecting requests are supplied via e-mail or verbally.	(viii) Generate rejection codes & reasons for rejecting requests (this must be applicable to all processes).
(ix) No system in place	(ix) System must be able to generate reports on purchase requisition logged with SCM but not actioned.
(x) Central Supplier Database is utilised as a separate tool to source goods / services from suppliers.	(x) Integrate with Central Supplier Database (CSD) hosted by the National Treasury.
(xi) Quotations are received from bidders via e-mail. No system to upload quotations and supporting documentation received.	(xi) System must allow uploading for quotations and supporting documentation received.
(xii) Verification of local content where applicable	(xii) Local Content template.
(xiii) Evaluations quotations using PPPFA formula and evaluation criteria which is saved on a spreadsheet.	(xiii) PPPFA formula and evaluation criteria (Price and B-BBEE) <ul style="list-style-type: none"> • System must allow capturing of BBEE credentials (All elements of the scorecard).
(xiv) Award / regret letters are issued to suppliers after the evaluation of quotations.	(xiv) Template for award / regret letters to build into the system.
(xv) Awarded supplier details are loaded onto the finance system using information recorded on the template.	(xv) Template for registration of vendors.
(xvi) No system in place.	(xvi) New system must integrate with the accounting system from which purchase orders will be generated.
(xvii) No system in place	(xvii) Classification of open orders (once-off or contract)
(xviii) Purchase orders are generated from GP, and issued to awarded to suppliers.	(xviii) Loading of purchase order approvers
(xix) No system in place to confirm service rendered or goods delivered.	(xix) GRV (goods receipt voucher) tool.
(xx) End user complete and sign off payment requisitions template manually.	(xx) Payment requisitions Template.
(xxi) No system in place	(xxi) Generation of reports such as open orders and age analysis thereof.
(xxii) No system in place	(xxii) System must be able to generate reports on status of procurement processes.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 6 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

OPEN TENDER PROCESS (Procurement above R1 000 000)	This is what the automated system must be able to do.
6.1.3.2 A (i) Bid specifications drafting and approval. (ii) Advertisement of bids (iii) Recording of bids received (iv) Compliance check or pre-screening (v) Evaluation of tenders including consolidation of evaluators' scores. (vi) Adjudication of Bids (vii) Preparation of award and regret letters (viii) Registration of vendors	6.1.3.2 B (i) Template for terms of reference. (ii) link to website (iii) Template of Bids received. (iv) Template for pre-screening of bids. (v) Template of Bids evaluation Report <ul style="list-style-type: none"> • Template to record evaluators scores (Evaluation formulae to be built into the system: Functionality, price and B-BBEE) • Automatic consolidation of evaluators scores. (vi) Recommendation template for the CEO approval. (vii) Template for award, and regret letters. (viii) Vendor registration Template.
CONTRACTS MANAGEMENT	This is what the automated system must be able to do.
6.1.4.1 A (i) Drafting of contracts. (ii) Issuing of contracts & loading same onto the contract register. (iii) Monitoring commercial performance of contracts on the system. (iv) Administering variations. (v) Administering contracts extensions. (vi) Reporting on contracts e.g. Active Contracts, Extended contracts, Expired, Evaluated suppliers, Contracts nearing the expiry. (vii) Evaluation of supplier performance. (viii) Close out report on the project/service rendered. (ix) Drafting of supplier termination letter. (x) Drafting of contract reference letter	6.1.4.1 B (i) Contracts templates (ii) Contract repository must have an upload and download functionality (iii) Alert for contract balance e.g.25% remaining of the original amount or 6 months remaining period, whichever comes first. (iv) National Treasury variation stipulation of 15% or 20%. System must require approval if variation will exceed 15% or 20%. (v) National Treasury extension of works or services stipulation of 15% or 20%. System must require approval if extension will exceed 15% or 20% of the original contract value. <ul style="list-style-type: none"> • System must block or decline extension after expiry of contracts. (vi) Generation of contracts status report (vii) Supplier performance template. (viii) Close out report template. (ix) Supplier termination notification letter template (x) Contract reference template.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 7 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

CONSUMABLES / INVENTORY MANAGEMENT	This is what the automated system must be able to do.
6.1.5.1 A (i) Purchasing of stock items. (ii) Recording of purchased stock on the spreadsheet. (iii) Recording of back orders and delivery dates onto a spreadsheet. (iv) Capturing of stock at our disposal on a spreadsheet. (v) Recording stock receipts and issues onto a spreadsheet. (vi) Monitoring stock levels and expiry thereof. (vii) Preparation of consolidated report on (iii) and (iv) on spreadsheet. (viii) Report on stock items performance & replenishment programme.	6.1.5.1 B (i) When purchases of stock are made, the system must update the account in back end e.g. Stock control account. (ii) Stock repository <ul style="list-style-type: none"> • Stock / inventory scanner. (iii) Tool for recording of back orders and delivery dates. <ul style="list-style-type: none"> • Alerts for delivery of back orders and outstanding deliveries. (iv) Tool for capturing current stock. (v) Tool for recording stock received and issued. (vi) Alerts for the replenishment of stock <ul style="list-style-type: none"> • Alerts for stock nearing shelf life. (vii) System generated comprehensive Report on stock. (viii) Custom report on performance of stock.
6.1.6 RECORD KEEPING	This is what the automated system must be able to do.
6.1.6.1 A (i) Electronic filing of documents onto the system that has limited capacity.	6.1.6.1 B (i) System must have the ability to store and to upload documents.

N.B: Bidders are required to indicate their ability and willingness to carry out the requirements of the functions and processes listed in Annexures A and B by selecting YES or NO. Failure to do so will lead to disqualification.

6.2. CURRENT ENVIRONMENT

The proposed systems must be compatible with the merSETA's current IT environment. Bidders must provide a methodology for transitioning from the current systems and environment to the proposed systems. This must address the gap between the current systems and the proposed systems including data migration.

6.3. SERVERS

The current server environment consists of:

- 1) Windows Server 2012 and above
- 2) Microsoft Active Directory 2012
- 3) Microsoft SQL Server 2012
- 4) Microsoft Hyper V Server 2019

6.4. CLIENTS

The current client environment consists of:

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 8 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

- 1) Windows 10
- 2) Windows 11
- 3) Microsoft Office 365

6.5. CLOUD FIRST

The merSETA has adopted a Cloud-First strategy and is in the process of migrating to the cloud. Therefore, cloud-based solutions are preferred over on-premise solutions. The proposed cloud solutions could be public cloud Software as a service or private cloud on infrastructure as a service.

Bidder must indicate whether they will offer a Cloud Ready solution or if they will be utilising merSETA infrastructure with the existing requirements.

6.6. MAINTENANCE

- (i) Maintenance of the system on an adhoc basis
- (ii) Provision of annual licence
- (iii) Virtual access to the system

6.7. UPGRADES

- (i) System upgrades
- (ii) Patch installations
- (iii) Implementation of additional modules for additional functionality when required.

7 REQUIREMENTS

- 7.1. Bidder must have 5 years' experience in implementing and providing support services of similar nature.
- 7.2. Bidder must provide the methodology that will be applied in the implementation of the project.
- 7.3. Bidder must provide a project work plan with clear time frames of each phase.
- 7.4. Bidder must provide a list of at least 3 similar projects they carried out and completed. The information must include project description, client name, client contact name, telephone numbers, period of contracts and value thereof.
- 7.5. Bidder must provide an organogram of team members who will be involved in this project.
- 7.6. Team members must have experience of 3 years or more in implementing a project of this nature. CV's of team members must be attached as proof thereof.
- 7.7. Three (3) written signed and verifiable reference letters from clients to whom similar service was rendered in the last 2 (two) years must be provided.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 9 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

In a case where a bidder implemented and maintained finance and supply chain management modules separately, they must provide 3 (three) reference letters for each.

N.B Only verifiable reference letters relating to similar project implemented or services rendered will be accepted. The years' experience must be reflected in the above mentioned reference letters.

7.8. Bidders who will be providing this service using a product developed by an OEM (Original Equipment Manufacturer), must attach proof that they are a partner to the OEM.

8 CONTENT OF SUBMISSIONS – VERY IMPORTANT

- 8.1. Provide a proposal as per the scope of work above;
- 8.2. Provide detailed pricing schedule and summarise same on SBD3.3
 - (i) Bidders must clearly outline and separate the terms of reference into components e.g. product, development and licenses for costing and evaluation purposes to be consistent to render pricing comparisons.
- 8.3. Provide description of your organization, its primary business activity, previous and current clients, experience, management, shareholders, partners, directors including Name, position, race and gender etc.
- 8.4. Certified copy of a valid BBBEE certificate, CIPC BBBEE certificate or affidavit. BBBEE Certificate issued by CIPC will be verified with CIPC.
- 8.5. Fully completed and signed SBD 1; 3.3; 4; 6.1; and 7.2 forms.
- 8.6. Proof of registration on the Central Supplier Database hosted by National Treasury
- 8.7. Certified ID copies of all directors of the company
- 8.8. Bidders to indicate if there will be any subcontracting and also indicate the percentage (%) on the SBD 6.1 form.
- 8.9. In instances of a joint venture /consortium the Joint Venture Certificate must be included (indicating the percentage of duties for all companies in the joint venture). The consolidated joint venture B-BBEE Certificate must be submitted in order to claim points. However, for a subcontractor the B-BBEE certificate of both the contractor and subcontractor must be submitted.

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 10 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

9 **SCORING GRID (TO BE LINKED WITH EVALUATION PROCESS UNDER 13)**

9.1. SUPPLY CHAIN MANAGEMENT

Requirement	Criteria	Score (Points)
Bidder must have 5 years' experience in implementing and providing support services of similar nature.	5 years' experience or above.	10
	Less than 5 years up to 3 years' experience.	5
	Less than 3 experience	0
Bidder must provide the methodology that will be applied in the implementation of the project.	Methodology meets the requirements	10
	Methodology partly or does not meet the requirements	0
Bidder must provide a project work plan with clear time frames of each phase.	Project Workplan submitted with clear time frames	10
	Project Workplan not submitted / time frames not clear.	0
Bidder must provide a list of at least 3 similar projects they carried out and completed. The information must include project description, client name, client contact name, telephone numbers, period of contracts and value thereof as per the attached Annexure B .	List of 3 similar projects carried out and completed.	10
	List of 2 similar projects carried out and completed.	5
	List of less than 2 similar projects carried out and completed.	0
Team members must have experience of 3 years or more in implementing project(s) of this nature. CV's of team members must be attached as proof thereof.	Team members have 3 years or more experience in implementing projects of this nature.	10
	Team members have less than 3 years of experience in implementing projects of this nature	0
Three (3) written signed and verifiable reference letters from clients to whom similar service was rendered must be provided. N.B Only reference letters relating to a similar project implemented or services rendered will be accepted. <i>The years' experience must be reflected in the above mentioned reference letters.</i>	3 Reference letters from clients to whom similar service was rendered - submitted	10
	2 Reference letters from clients to whom similar service was rendered – submitted.	5
	Less than 2 reference letters from clients to whom similar service was rendered – submitted.	0

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 11 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

**The document with the latest revision date is the current official document*

9.2 ICT

Requirement	Criteria	Score (Points)
Organogram with Project Lead who has experience of five (5) years or more in implementing project(s) of this nature.	Organogram has a project lead who has five (5) years or more experience	10
	Organogram has a project lead who has three (3) years' experience	5
	Organogram has a project lead who has less than three (3) years' experience	0
Organogram with Business Analyst who has experience of five (5) years or more in implementing project(s) of this nature.	Organogram has a Business Analyst who has five (5) years or more experience	10
	Organogram has a Business Analyst who has three (3) years' experience	5
	Organogram has a Business Analyst who has less than three (3) years' experience	0
Project Lead must have IT / Accounting / Business qualification.	Team member(s) has IT/Accounting/Business Qualification.	10
	Team member(s) has no qualification.	0
Organogram with Development Lead who has experience of 5 (five) years or more in implementing project(s) of this nature.	Organogram has a Development Lead who has 5 (five) years or more experience	10
	Organogram has a Development Lead who has 3 (three) years' experience	5
	Organogram has a Development Lead who has less than 3 (three) years' experience	0
Bidder must provide on-site support services	Bidder proposes onsite support	10
	Bidder does not propose onsite support	0

9.3 SYSTEM DEMONSTRATION SCORING

Requirement	Criteria	Score (Points)
The proposed solution / system must have coverage of the required features and modules.	The proposed solution / system has coverage of the required features and modules.	10
	The proposed solution / system has limited coverage of the required features and modules.	5
	The proposed solution / system does not have coverage of the required features and modules.	0
The proposed solution / system must have integration capabilities.	The proposed solution / system has integration capabilities.	10
	The proposed solution / system has limited integration capabilities.	5
	The proposed solution / system has no integration capabilities.	0

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 12 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

Requirement	Criteria	Score (Points)
The proposed solution / system must have full coverage of the required modules and features.	The proposed solution / system has coverage of the required modules and features.	10
	The proposed solution / system does not have full coverage of the required modules and features.	0
The proposed solution / system must have modern feature architecture.	The proposed solution / system has modern feature architecture.	10
	The proposed solution / system does not have or partly has modern feature architecture.	0
The proposed solution / system must be user friendly	The proposed solution / system is user friendly	10
	The proposed solution / system is not user friendly.	0

10 PREFERENTIAL POINT SYSTEM FOR EVALUATION

The 80/20 preferential point system will be utilized for the evaluation of this bid.

11 CLOSING DATE

The closing date for submissions to be considered for this project shall be **31 October 2022, 12:00 noon.**

12 PAYMENT TERMS

The merSETA undertakes to pay valid invoices in full within 30 (thirty) days from receipt of the correct invoice and for work done to its satisfaction upon presentation of a substantiated claim. The merSETA shall not pay for any unproductive or duplicated time spent by the service provider on any assignment because of staff changes, inefficiencies, or rework.

13 EVALUATION PROCESS.

13.1. SUPPLY CHAIN MANAGEMENT

All bids duly lodged will be evaluated on functionality and price. The evaluation criteria and weighting for measuring functionality are shown below:

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 13 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

Criterion	Weighting	Minimum thresholds
Bidder must have 5 years' experience in implementing and providing support services of similar nature.	5%	2.5%
Bidder must provide the methodology that will be applied in the implementation of the project.	10%	10%
Bidder must provide a project work plan with clear time frames of each phase.	10%	10%
Bidder must provide a list of at least 3 similar projects they carried out and completed. The information must include client contact name, telephone numbers, the period of contracts and values thereof (as per the attached Annexure B).	5%	2.5%
Team members must have experience of 3 years or more in implementing project(s) of this nature. CV's of team members must be attached as proof thereof.	10%	10%
Three (3) written signed and verifiable reference letters from clients to whom similar service was rendered must be provided. N.B Only reference letters relating to a similar project implemented or services rendered will be accepted.	5%	2.5%
FUNCTIONALITY	45%	37.50%

The overall minimum threshold for functionality will be **37.25%** where all individual criterion are adhered to.

13.2. ICT

Criterion	Weighting	Minimum thresholds
Organogram with Project Lead who has experience of 5 (five) years or more in implementing project(s) of this nature.	10%	5%
Organogram with Business Analyst who has experience of 5 (five) years or more in implementing project(s) of this nature	6%	3%
Project Lead must have IT / Accounting / Business qualification.	10%	10%
Organogram with Development Lead who has experience of 5 (five) years or more in implementing project(s) of this nature.	6%	3%
Bidder must provide on-site support services	10%	10%
FUNCTIONALITY	42%	31%

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 14 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

The overall minimum threshold for functionality will be **31%** where all individual criterion is adhered to. Bidders who meet or exceed the minimum threshold shall proceed to the second phase of the evaluation.

13.3. SYSTEM DEMOSTRATION

Criterion	Weighting	Minimum thresholds
The proposed solution / system must have coverage of the required features and modules.	2%	1%
The proposed solution / system must have integration capabilities.	2%	1%
The proposed solution / system must have modern system architecture.	3%	3%
The proposed solution / system must be a workflow based system.	3%	3%
The proposed solution / system must be user friendly.	3%	3%
FUNCTIONALITY	13%	11%

The overall minimum threshold for functionality will be **11%** where all individual criterion is adhered to. Bidders who meet or exceed the minimum threshold shall proceed to the second phase of the evaluation

The evaluation of submitted bids will be conducted as follows:

- Firstly, the bids will be evaluated for functionality based on the evaluation criteria and the minimum threshold as shown in the table above. Any bid that fails to meet the overall minimum threshold or has **not received** the minimum score for any individual component thresholds will be disqualified.
- Thereafter, only the qualifying bids will be evaluated in terms of the 80/20 preference points system, where 80 points will be allocated to price only and 20 points will be allocated in line with the bidder's B-BBEE status level of contribution.

This will be carried out in accordance with the PPPF Act and as follows:

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

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 15 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

14 NOTES TO BIDDERS

This section outlines basic requirements that must be met. Failure to accept these conditions or part thereof will result in your proposal being excluded from the evaluation process.

- 14.1. Short listed Bidders may be invited to present and discuss details of their proposals.
- 14.2. Bidders should complete the merSETA tender documents; Vendor Application Forms; SBD 1, 3.3, 4, 6.1, 7.2, 8 and 9 forms before their submissions will be considered.
- 14.3. Tender documents must be presented to merSETA marked **“TENDER FOR Provision, Installation and Maintenance of an Integrated, Automated End-To-End Supply Chain Management System – ICT/2022/006 ”**
- 14.4. The merSETA will not be liable to reimburse any costs incurred by the bidder during the tender process. Bidders should identify any work they are currently carrying out or competing for which could cause a conflict of interest, and indicate how such a conflict would be avoided.
- 14.5. Bidders are required to attend a **compulsory briefing session** that will take place virtually on the **24 October 2022 from 11:00am to 13:00 noon** via MS Teams using link below:
https://teams.microsoft.com/join/19%3ameeting_YzZmNTEzMzgtYzkwOC00OTY3LTlhMDQtMDExZjYyMmFin2Y3%40thread.v2/0?context=%7b%22Tid%22%3a%22c9594d66-b4c1-4a03-8be9-0cdce2d602dd%22%2c%22Oid%22%3a%2254c625a7-63a9-4a6c-9959-ec5f06205689%22%7d
- 14.6. **Failure to attend the compulsory virtual briefing session will lead to disqualification of submission.**
- 14.7. Bidders are required to indicate their ability and willingness to carry out the requirements of all functions and processes listed in Annexures **A** by selecting **YES** or **NO**. Failure to do so will lead to disqualification.
Bidders are required to complete Annexure **B** in full. **Failure to do so may lead to disqualification.**

15 GENERAL

- 15.1. Bidders should complete the submission register at the security then deposit their documents into the tender box available on the Ground Floor reception on or before **31 October 2022, 12:00 noon** at the address below;

Tender Box
merSETA Head Office
8 Hillside Road,
Metropolitan Park Block C
Parktown,

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 16 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

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2193

- 15.1. Any tender document not deposited in the marked tender box will not be considered
- 15.2. Any tender document received after the closing date and time will not be considered.
- 15.3. Two (2) bound and one (1) unbound hard copies of the proposal must be submitted.
- 15.4. All correspondence to bidders will be in writing.
- 15.5. Bidders may attend the opening of the tender box on the closing date.
- 15.6. Late submissions will not be considered for this tender.

16 DISCLAIMER

The merSETA reserves the right not to appoint a bidder for this tender. The merSETA further reserves the right to split the tender with more than one bidder or award a portion of this tender to other bidders.

The merSETA shall rescind a bid award or contract should a bidder be found to have violated Supply Chain Practices.

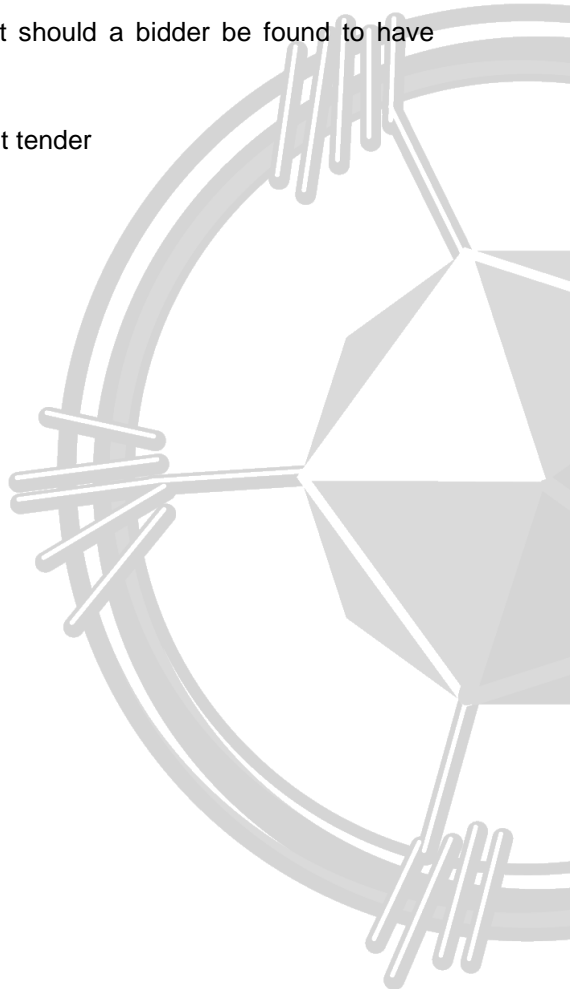
The merSETA does not bind itself to accept the lowest tender

Approved by: _____

Name: Mr. Naphtaly Mokgotsane

Contact Person: Deslynn Lucas

Email to: tenders@merseta.org.za



Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 17 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

	ANNEXURE A	
	SUPPLY CHAIN MANAGEMENT MODULE	
CURRENT SCM PROCESS (A)	REQUIRED FROM THE NEW AUTOMATED SYSTEM TO BE OFFERED BY THE BIDDER (B)	BIDDERS MUST INDICATE WHETHER THEY ARE WILLING AND ABLE TO CARRY OUT THE REQUIREMENTS OF EACH FUNCTION AND PROCESS BY SELECTING YES OR NO (YES/NO)
6.1.1 BUDGET	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.1.1 A	6.1.1.1 B	
(i) No system in place. Budget is verified manually.	(i) System must be able to link the budget housed in the accounting system and indicate if funds are available or not. This must be arranged in specific cost code/ cost centre.	
6.1.2 DEMAND PLAN	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.2.1 A	6.1.2.1 B	
(i) Receiving demand plans from End Users on template.	(i) Demand plan template which must enable end users to capture the procurement plans onto the system.	
Consolidation of Procurement plan by the SCM		
(ii) Closing date is communicated via e-mail.	(ii) Closing date for submissions must be built into the system.	
(iii) No system in place	(iii) The system must enable SCM to extract reports from the consolidated procurement plan.	
PROCUREMENT Close Tender Process (Requests up to R1 000 000)	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.3.1 A	6.1.3.1 B	
(i) Purchase Requisition from end- user.	(i) Capturing of purchase requisitions by end users onto the system.	

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 18 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

(ii) Budget holder approves the purchase requisition by appending signature onto the form.	(ii) System must enable budget holders to approve purchase requisitions (PR) on the system.	
(iii) No system in place	(iii) Generate of PR numbers.	
(iv) Separation of duties not automated.	(iv) System must be able to assign tasks according to certain roles and responsibilities must have parameters for separation of duties.	
(v) No alerts in place	(v) Alerts for all role players e.g. budget holders, SCM, end users.	
(vi) No automated escalations in place.	(vi) Escalations with time frames.	
(vii) Documents are accessed via e-mail.	(vii) SCM must be able to access documentation sent by end users.	
(viii) Reasons for rejecting requests are supplied via e-mail or verbally.	(viii) Generate rejection codes & reasons for rejecting requests (this must applicable to all processes.	
(ix) No system in place	(ix) System must be able to generate reports on purchase requisition logged with SCM but not actioned.	
(x) Central Supplier Database is utilised as a separate tool to source goods / services from suppliers.	(x) Interface with Central Supplier Database (CSD) hosted by the National Treasury.	
(xi) Quotations are received from bidders via e-mail. No system to upload quotations and supporting documentation received.	(xi) System must allow uploading for quotations and supporting documentation received.	
(xii) Verification of local content where applicable	(xii) Local Content template.	
(xiii) Evaluations quotations using PPPFA formula and evaluation criteria which is saved on a spreadsheet.	(xiii) PPPFA formula and evaluation criteria (Price and B-BBEE).	
	· System must allow capturing of BBBEE credentials (All elements of the scorecard).	
(xiv) Award / regret letters are issued to suppliers after the evaluation of quotations.	(xiv) Template for award / regret letters to built into the system.	
(xv) Awarded supplier details are loaded onto the finance system using information recorded on the template.	(xv) Template for registration of vendors.	

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 19 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

*The document with the latest revision date is the current official document

(xvi) No system in place.	(xvi) New system must Integrate with the accounting system from which purchase orders will be generated.	
(xvii) No system in place	(xvii) Classification of open orders (once-off or contract)	
(xviii) Purchase orders are generated from GP, and issued to awarded to suppliers.	(xviii) Loading of purchase order approvers	
(xix) No system in place to confirm service rendered or goods delivered.	(xix) GRV (goods receipt voucher) tool.	
(xx) End user complete and sign off payment requisitions template manually.	(xx) Payment requisitions Template.	
	(xxi) Generation of reports such as open orders and age analysis thereof.	
	(xxii) System must be able to generate reports on status of procurement processes.	
OPEN TENDER PROCESS (Procurement above R1 000 000)	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.3.2 A	6.1.3.2 B	
(i) Bid specifications drafting and approval	(i) Template for terms of reference.	
(ii) Advertisement of bids	(ii) Link to website	
(iii) Recording of bids received	(iii) Template of Bids received.	
(iv) Compliance check or pre-screening	(iv) Template for pre-screening of bids.	
(v) Evaluation of tenders including consolidation of evaluators' scores.	(v) Template of Bids evaluation Report	
	Template to record evaluators scores (Evaluation formulae to be built into the system: Functionality, price and B-BBEE)	
	Automatic consolidation of evaluators scores.	
(vi) Adjudication of Bids	(vi) Recommendation template for the CEO approval.	
(vii) Preparation of award and regret letters	(vii) Template for award, and regret letters.	
(viii) Registration of vendors	(viii) Vendor registration Template.	

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 20 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

6.1.4 CONTRACTS MANAGEMENT	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.4.1 A	6.1.4.1 B	
(i) Drafting of contracts.	(i) Contracts templates with different risk classifications.	
(ii) Issuing of contracts & loading same onto the contract register.	(ii) Contract repository	
(iii) Monitoring commercial performance of contracts on the system.	(iii) Alert for contract balance e.g.25% remaining of the original amount or 6 months remaining period, whichever comes first.	
(iv) Administering variations.	(iv) National Treasury variation stipulation of 15% or 20%. System must require approval if variation will exceed 15% or 20%.	
(v) Administering contracts extensions.	(v) National Treasury extension of works or services stipulation of 15% or 20%. System must require approval if variation will exceed 15% or 20%. System must block or decline extension after expiry of contracts.	
1.1.3 CONSUMABLE / INVENTORY MANAGEMENT	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.5.1 A	6.1.5.1 B	
(i) Purchasing of stock items.	(i) When purchases of stock are made, the system must update the account in back end e.g. Stock control account.	
(ii) Recording of purchased stock on the spreadsheet.	(ii) Stock repository	
	· Stock / inventory scanner.	
(iii) Recording of back orders and delivery dates onto a spreadsheet.	(iii) Tool for recording of back orders and delivery dates.	
	·Alerts for back orders and outstanding deliveries.	

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 21 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled

***The document with the latest revision date is the current official document**

(iv) Capturing of stock at our disposal on a spreadsheet.	(iv) Tool for capturing current stock.	
(v) Recording stock receipts and issues onto a spreadsheet.	(v) Tool for recording stock received and issued.	
(vi) Monitoring stock levels and expiry thereof.	(vi) Alerts for the replenishment of stock -Alerts for stock nearing shelf life.	
(vii) Preparation of consolidated report on (iii) and (iv) on spreadsheet.	(vii) System generated comprehensive Report on stock.	
(viii) Report on stock items performance & replenishment programme.	(viii) Custom report on performance of stock.	
6.1.6 RECORD KEEPING	This is what the automated system must be able to do or what must be built into the system	YES / NO
6.1.6.1 A	6.1.6.1B	
(i) Electronic filing of documents onto the system that has limited capacity.	(i) System must have the ability to store and to upload documents.	



Document Title	Terms of Reference for Open Tenders	
Document Number	FIN-TR-001(B)	Date Compiled:
Page Number	Page 22 of 23	*Last Revision Date
Revision Number	Rev 07	Access
Review: CFO		Approved: CEO

***The document with the latest revision date is the current official document**

ANNEXURE B

List of projects completed / implemented

(Only projects that are similar to the required service must be listed in the table below).

Project/Service	Client	Contact person(s)	Contact Number	Project / Service duration	Year	Amount

Document Title	Terms of Reference for Open Tenders		
Document Number	FIN-TR-001(B)	Date Compiled:	07 February 2011
Page Number	Page 23 of 23	*Last Revision Date	30 November 2017
Revision Number	Rev 07	Access	Controlled
Review: CFO		Approved: CEO	

**The document with the latest revision date is the current official document*

**PART A
INVITATION TO BID**

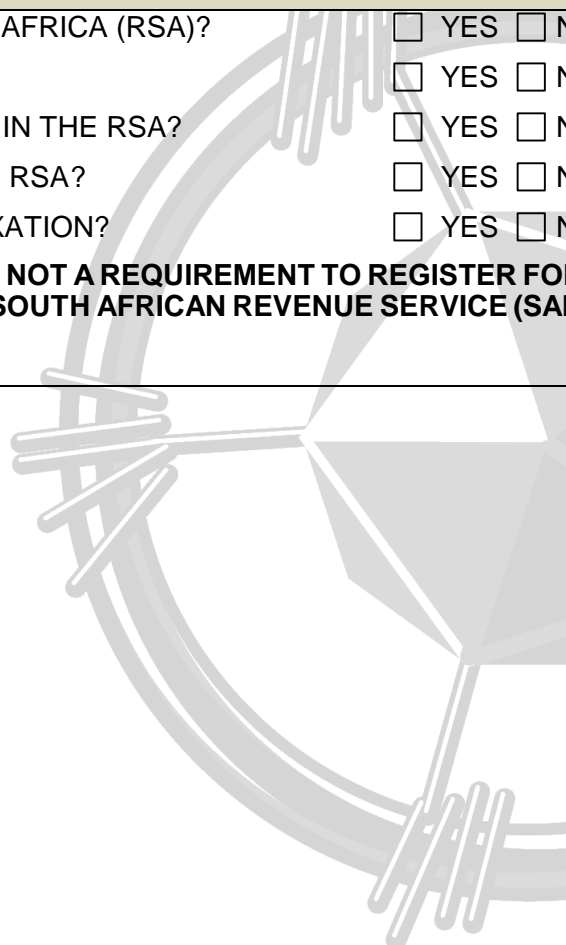
YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

Document Title	Invitation To Bid (SBD 1)		
Document Number	FIN-FM-031	Revision Date	31 May 2018
Page Number	Page 1 of 3	*Next Revision Date	31 May 2020
Revision Number	Rev 01	Access	Controlled
Review: Senior Manager: Supply Chain & Contracts Management		Approved: CEO	

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 PART B:3]
---	--	--	--

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
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.	



Document Title	Invitation To Bid (SBD 1)		
Document Number	FIN-FM-031	Revision Date	31 May 2018
Page Number	Page 2 of 3	*Next Revision Date	31 May 2020
Revision Number	Rev 01	Access	Controlled

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

Document Title	Invitation To Bid (SBD 1)		
Document Number	FIN-FM-031	Revision Date	31 May 2018
Page Number	Page 3 of 3	*Next Revision Date	31 May 2020
Revision Number	Rev 01	Access	Controlled

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO:

CLOSING TIME..... CLOSING DATE.....

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....		
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R.....	.....days
	.....	R.....	.....days
	.....	R.....	.....days
	.....	R.....	.....days

Document Title	Pricing Schedule (Professional Services SBD 3.3)		
Document Number	FIN-FM-032	Date Compiled	09 February 2012
Page Number	Page 1 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled
Review: CFO		Approved: CEO	

Name of Bidder:

- 5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid.....
7. Estimated man-days for completion of project.....
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....
-

Document Title	Pricing Schedule (Professional Services SBD 3.3)		
Document Number	FIN-FM-032	Date Compiled	09 February 2012
Page Number	Page 2 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled

Name of Bidder:

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

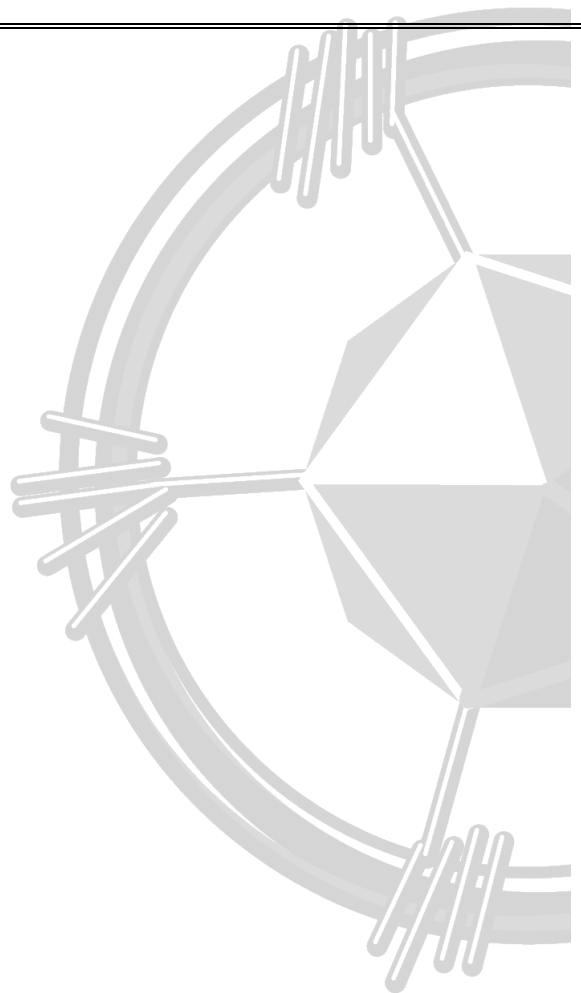
(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON):

Tel:



Document Title	Pricing Schedule (Professional Services SBD 3.3)		
Document Number	FIN-FM-032	Date Compiled	09 February 2012
Page Number	Page 3 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

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

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

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

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

b) 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:

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

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

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

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

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

Document Title	Standard Bidding Forms (SBD 6.1)		
Document Number	FIN-FM-026	Date Compiled	24 March 2011
Page Number	Page 1 of 5	*Last Revision Date	22 June 2017
Revision Number	Rev 03	Access	Controlled
Review: CFO		Approved: CEO	

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

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

80/20 **or** **90/10**

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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

Document Title	Standard Bidding Forms (SBD 6.1)		
Document Number	FIN-FM-026	Date Compiled	24 March 2011
Page Number	Page 2 of 5	*Last Revision Date	22 June 2017
Revision Number	Rev 03	Access	Controlled

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

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

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor. =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

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

Document Title	Standard Bidding Forms (SBD 6.1)		
Document Number	FIN-FM-026	Date Compiled	24 March 2011
Page Number	Page 3 of 5	*Last Revision Date	22 June 2017
Revision Number	Rev 03	Access	Controlled

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

Document Title	Standard Bidding Forms (SBD 6.1)		
Document Number	FIN-FM-026	Date Compiled	24 March 2011
Page Number	Page 4 of 5	*Last Revision Date	22 June 2017
Revision Number	Rev 03	Access	Controlled

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audialterampartem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.
2.

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

DATE:

ADDRESS

.....

Document Title	Standard Bidding Forms (SBD 6.1)		
Document Number	FIN-FM-026	Date Compiled	24 March 2011
Page Number	Page 5 of 5	*Last Revision Date	22 June 2017
Revision Number	Rev 03	Access	Controlled

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

Document Title	Contract Form Rendering of Services (SBD 7.2)		
Document Number	FIN-FM-033	Date Compiled	09 February 2012
Page Number	Page 1 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled
Review: CFO		Approved: CEO	

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

SBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as.....
accept your bid under reference numberdated.....for the rendering of services
indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

Document Title	Contract Form of Rendering Services (SBD 7.2)		
Document Number	FIN-FM-033	Date Compiled	09 February 2012
Page Number	Page 2 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

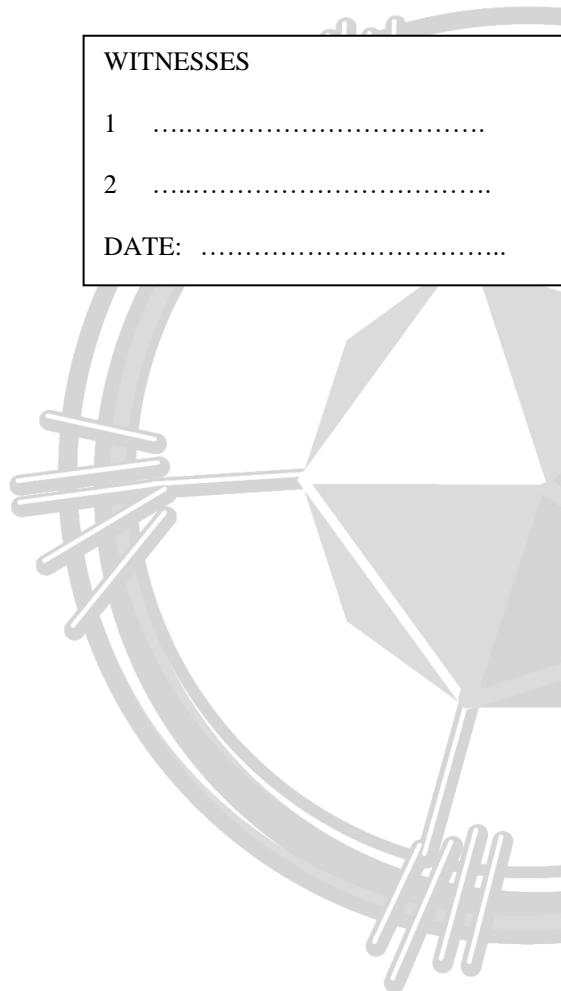
A large, empty rectangular box with a thin black border, intended for an official stamp.

WITNESSES

1

2

DATE:



Document Title	Contract Form of Rendering Services (SBD 7.2)		
Document Number	FIN-FM-033	Date Compiled	09 February 2012
Page Number	Page 3 of 3	*Last Revision Date	
Revision Number	Rev 00	Access	Controlled



VENDOR APPLICATION FORM

**[For professional services please completed this document in conjunction with
merSETA professional services database questionnaire]**

All corporates, trusts; franchises; companies etc must complete PART 1; PART 2 - Section B;
PART 3 & PART 4

All Individuals and partnership must complete PART 1; PART 2 - Section A; PART 3 & PART 4

PART 1:

Title (Prof. / Dr / Mr / Mrs / Ms/) and Surname : _____
(*If one-man concern*)

'Trading as' name of business: _____
(*Contracts and orders will be made in this name and invoices must reflect it*)

Registered name of business: _____

Physical address of business:

Building / complex name: _____

Street name and number : _____

Suburb : _____ City : _____

Code: _____

Postal address of business:

Postnet address: _____

P O Box / Private Bag : _____ City/Town: _____ Code: _____

Telephone numbers of business: Code: _____ Number: _____

Alternative number of business: Code: _____ Number: _____

Contact person fax number: Code: _____ Number: _____
(*Used by merSETA for electronic faxing of Request for Quotations, Contracts and Purchase orders*)

Business e-mail : _____

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 1 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled
Review: CFO		Approved: CEO	

PART 2: TAXATION

Business Registration number (if applicable) _____
(in case of one-man concern, please furnish identity number plus copy of identity documents)

Section A: Individuals / Partnerships

Please answer the questions by marking the appropriate column with an "X".
Please do not leave out any question relating to your specific circumstances.

Supplier Name:	
Natural Persons:	
Nationality:	
Income Tax reference number:	
Date of birth:	
If not a citizen of the RSA, furnish a certified copy of a work permit:	
If in possession of a tax directive, furnish a certified copy thereof:	

Question	Yes	No
1. Do you supply services on behalf of a Labour Broker?		
2. Are you subject to the control or supervision of Merseta? Including, but not limited to, the following: • The manner of duties performed; • The hours of work; • The quality of work.		
3. Are you paid at regular intervals i.e. daily, weekly, monthly etc? (If the payments are made at regular intervals or by a rate per time period)		
4. Will payment to you include any benefits? Including, but not limited to, the following: • Leave pay; • Medical aid; • Training; • Sick Leave.		
5. Will, or have you be/been in the full time employment of Merseta?		
6. Will you require of Merseta to provide any equipment, tools, materials or office space, in order to fulfil the contract?		
7. Do you supply these, or similar, services only to Merseta and not to any other client or the general public?		
8. Will you be required to work more than 22 hours per week?		
8.1 If "yes", will payment be made on an hourly, daily or weekly basis?		
8.2.1 Will you work solely for Merseta?		
8.2.2 Will you provide a written statement to this effect?		
8.2.3 How much will you be paid per day?		
Non-Residents of the RSA		
9. Will you return to your jurisdiction of residence upon the termination of the contract?		
10. Is the contract to exceed a period of three years?		

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 2 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled

Question		Yes	No
11.	Will you be returning to the jurisdiction of residence during the course of the contract? If so, for what periods of time?		
12.	Is your employer resident in the Republic of South Africa or does a permanent establishment or branch represent the employer in the Republic?		
13.	If a permanent establishment or branch represents the employer in the Republic, will your salary be paid from such permanent establishment or branch?		
14.	Will you be required to perform any work outside of the Republic?		
15.	Do you agree to submit copies of your passport should Merseta, so require?		

Section B: Companies, CC's; Trusts etc

Please answer the questions by marking the appropriate column with an "X".
Please do not leave out any question relating to your specific circumstances.

Supplier Name:	
Nature of legal entity:	
Date of incorporation:	

Question		Yes	No
1.	Are you a "Labour Broker" i.e. do you provide payment for supplying Merseta with a person/s? If so, furnish a certified copy of an IRP30, which is valid for the period of the contract		
2.	Is the service to be rendered personally by any person, who is a connected person, in relation to the entity? (For example a shareholder, member or their direct family)		
3.	Do you employ four or more employees on a full time basis throughout the year, excluding connected parties? If so, are these employees engaged in rendering the service to Merseta? (For example secretarial employees would NOT be so engaged)		
4.	Would you be regarded as an employee of Merseta if the service was rendered by the person directly to Merseta, other than on behalf of the contractor?		
5.	Do you, the Company, Close Corporation or Trust receive any form of training supplied or paid for by Merseta? If "yes", please specify the nature and extent of the training:		
6.	Are you, the Company Close Corporation or Trust free to choose which tools or equipment, or staff, or raw materials, or routines, patents and technology to use in performing your main duties?		
7.	In order to perform your main duties, do you, or does such a person, Company, Close Corporation or Trust, use any tools or equipment supplied or paid for by Merseta? If "yes", please state the nature thereof:		
8.	Are you subject to the control or supervision of Merseta, as to the manner in which, or hours during which, the duties are performed or are to be performed in rendering the service?		
9.	Will the amounts paid or payable in respect of the service consist of, or include, earnings of any description, which are payable at regular daily, weekly, monthly, or other intervals?		
10.	Will more than 80% of your income, during the year of assessment, from services rendered, consist of or be likely to consist of amounts received directly or indirectly from any one client , or any associated institution, in relation to the client?		
11.	Does your contract contain any elements of an employment contract? [i.e. Job titles, reporting structure in organisation, fixed working hours, employment benefits, performance bonuses (excluding bonus and penalties for early or late delivery)]		
12.	Does your contract contain any clause that will enable you to receive payment, even if no work was done?		
13.	Have you ever been classified as a Labour Broker or personal services company		

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 3 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled

Question		Yes	No
	(including Close Corporation and Trust) by SARS or any other client?		
14.	If the answer to question 13 was "yes", did anything change that no longer classifies you as a labour broker or personal services company? If "yes", elaborate:		

PART 3: OWNERSHIP

1. Please tick the appropriate block:

- Turnover

Less than or equal to R 25m	
Greater than R 25m	

2. Please indicate the existence and extent of any Internal Black Empowerment Programmes.
Details of such programmes may be annexed.

3. Please complete each of the following tables by stating the number of people in each category:

- Ownership / Control

	African	Asian	Coloured	White
Male				
Female				
TOTAL				
Disabled				

- Management

	African	Asian	Coloured	White
Male				
Female				
TOTAL				
Disabled				

- Total staff profile

	African	Asian	Coloured	White
Male				
Female				
TOTAL				
Disabled				

- Skilled personnel

	African	Asian	Coloured	White
Male				

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 4 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled

Female				
TOTAL				
Disabled				

Previous name(s) of business (if applicable) _____

List of directors / owners / partners: Attach your own list if the space provided is inadequate

1. Name: _____

Position: _____ % Shareholding : _____

Identity Number _____ Nationality _____

2. Name: _____

Position: _____ % Shareholding : _____

Identity Number _____ Nationality _____

3. Name: _____

Position: _____ % Shareholding : _____

Identity Number _____ Nationality _____

4. Name: _____

Position: _____ % Shareholding : _____

Identity Number _____ Nationality _____

Are any of your directors/owners employed by merSETA? Please mention also whether your directors / owners / partners are ex-merSETA staff. Close relatives of your directors / owners with merSETA staff to be declared as well.

PART 4: SUPPLIER PROFILE

List all your products / services your business can supply to merSETA.
Attach separate list if space provided is not enough

Name 3 commercial references/referees of previous projects and provide their name(s) and telephone number(s):

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 5 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/>
Does your business operate a Quality Management System covering the product/service applying for? (y/n) _____ Please elaborate: <hr style="border: 0; border-top: 1px solid black; margin-top: 10px;"/> <hr style="border: 0; border-top: 1px solid black; margin-top: 10px;"/> <hr style="border: 0; border-top: 1px solid black; margin-top: 10px;"/>

PART 5:REQUIRED DOCUMENTS

merSETA reserves the right to verify and /or follow-up on any of the claims made or references in this application form. Based on Treasury regulations merSETA will check any claims made in this submission.

This original signed vendor form must be accompanied with certified copies of the following documents below and must be included in your application:

- ✓ Copy of Company Registration Documents (Issued by the Registrar of Companies & Close Corporation)
- ✓ Attach an original cancelled cheque alternatively an original bank statement
- ✓ Current valid TAX clearance certificate
- ✓ Any other registration certificate pertaining to your relevant industry, e.g. ECB (Electrical Contractors Board)
- ✓ Company Organogram, showing your Holding and Subsidiary company(s), as well as operating divisions. Indicate ownership / shareholding that this company holds in any other company/ies.
- ✓ SBD 4
- ✓ SBD 6.1
- ✓ Company letter confirming bank details (must be signed)

Incomplete submissions will not be processed. This includes submission without the supporting documentation as stipulated above, in part 5:

I certify that I have the appropriate authority to furnish the above-mentioned information on behalf of my employer.

Name:	Signature:
Designation:	Date:

Document Title	Vendor Application Form		
Document Number	FIN-FM-009	Date Compiled	01 September 2008
Page Number	Page 6 of 6	*Last Revision Date	19 August 2011
Revision Number	Rev 05	Access	Controlled

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

- | | |
|--|--|
| 2. Application | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>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.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| 6. Patent rights | <p>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.</p> |
| 7. Performance security | <p>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.</p> |

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>
17. Prices	<p>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.</p>
18. Contract amendments	<p>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.</p>
19. Assignment	<p>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.</p>
20. Subcontracts	<p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p>
21. Delays in the supplier's performance	<p>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.</p> <p>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.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>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.</p>

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

**28. Limitation of
liability**

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

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.