

Greater Letaba Municipality

TENDER NUMBER

GLM 010/2025



**GREATER LETABA
MUNICIPALITY**

**APPOINTMENT OF THE SERVICE
PROVIDER FOR SUPPLY OF PREPAID
ELECTRICITY VENDING SERVICES WITH
THIRD PARTY VENDING MANAGEMENT
GREATER LETABA MUNICIPALITY FOR THE
PERIOD OF THREE (3) YEARS**

TOTAL PRICE:

VAT R.....

GRAND TOTAL R.....

Name of the Bidder and /or Company

.....



**GREATER LETABA
MUNICIPALITY**

NAME OF PROJECT: APPOINTMENT OF THE SERVICE PROVIDER FOR SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT GREATER LETABA MUNICIPALITY FOR THE PERIOD OF THREE (3) YEARS

BID NUMBER: GLM 010/2025

CLOSING DATE: 26 November 2025

ISSUED BY:

The MUNICIPAL MANAGER
Greater Letaba Municipality
P.O. Box 36
MODJADJISKLOOF
0835

BIDDER'S INFORMATION

NAME OF COMPANY.....

CONTACT PERSON.....

COMPANY ADDRESS.....

CELL/TEL NO.....

FAX NO.....

EMAIL ADDRESS.....

ADVERT

BID NOTICE AND INVITATION TO BID



GREATER LETABA MUNICIPALITY

Experienced as well as emerging bidders are hereby invited to bid for the following:

Bid number	Project name	Date for Compulsory Briefing Session	Cidb Grading	Point scoring system	Publication date	Closing date	Non-refundable amount (VAT inclusive)	Contact persons for technical queries.
GLM010/2026	Appointment of the service provider for supply of prepaid electricity vending services with third party vending management Greater Letaba municipality for a period of three (3) years	N/A	N/A	80-Pricing 20-Specific goals	28 October 2025	26 November 2025	R1 578.00	Ramalepe S (015) 309 9246

Bid documents will be obtainable as from the 28 October 2025 at Greater Letaba Municipality, and the municipal website upon non-refundable amount for a bid in question. Payment method for the bid document can be cash or EFT (Bank: FNB, Account holder: **Greater Letaba Municipality, Account no: 521 0000 5761, Branch code 260449, Ref No. for FNB Users:111 00000 00000, Ref No. for other banks: Bid number**)

All bids will remain valid for a period of 90 days after the time and date of opening. Late submissions, telegraphic, telefax or email transmission bids will not be accepted. Greater Letaba Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the bid as a whole or in part.

All bids and supporting documents must be sealed in a cover clearly marked "**the relevant bid number**" and "**project name**" and must be deposited in the bid box, at Greater Letaba Municipality foyer on / before 12H00 midday on the closing date when they will be opened in public.

All Supply Chain Management related queries will be directed to Mr Modjadji KLM at 087 088 7503 at Greater Letaba Municipality.

Sewape MO

Municipal Manager

SPECIFICATION

APPOINTMENT OF THE SERVICE PROVIDER FOR SUPPLY OF PREPAID ELECTRICITY VENDING SERVICES WITH THIRD PARTY VENDING MANAGEMENT GREATER LETABA MUNICIPALITY FOR THE PERIOD OF THREE (3) YEARS

1. INTRODUCTION

Greater Letaba Municipality hereby invites service providers to submit proposal for the supply of prepaid electricity vending services with third party Vending Management. The municipal want to implement a variety of sales points to purchase prepaid through direct EFT to the municipality bank account, cell phone banking, consumer mobile app via debit/credit cards and several point-of-sale at garage filling stations and retail shops with vending machines linked to the smart meter reading and vending platform. The service provider will be responsible for revenue enhancement complete with cost-of-supply study for electricity in assisting annual tariff approvals. The Meter Data Management and Vending solution to be seamless integrated into the municipality financial system

Greater Letaba Municipality requires a prepayment vending system for the following services:

- Prepayment vending system technology and license, on-site support and maintenance.
- Sending information from both credit and prepaid meters into the centralized management reporting.
- Back-end support and provide functionality to manage the meters, manage usage data connect and disconnect services remotely and provide data management reporting as well as revenue protection.
- Incorporates an integrated planning tool that comprises of a geographical Information system (GIS) which is used to provide statical social information per household.
- Inspection of smart metering on electricity and water meters with tamper management of alarms and inform the master station of any irregularities such as tampering or power / water outages.
- Fully compliant vending systems with point-of-sale infrastructure.
- Reconciles electricity usage from the substation to the meters daily and detects and reports any non-technical loss of electricity immediately
- Install new statistical electricity smart meters for energy balance per area
- Provides meter billing information monthly on all post-paid meters
- Information on meter consumption must be provided - electricity metering on 30-minute data and water metering on 60-minute data.
- Enables remote control on consumption management as well as load shedding.
- Use of smart prepaid and credit vending system that enables the consumer to buy electricity at vending station and via mobile technology.
- Supply and installation of smart meters according to specification approved by the Municipality.

The period of appointment will be for a period of 3 years.

Only tenderers who can offer a fully functional system and able to provide the specified requirements compliant with the condition of this tender document will be considered. In this regard, it is a requirement that the tenderer must provide proof of at least 5 (five) Municipalities where the proposed solution has been deployed. Bids from suitable service providers will be evaluated according to the set criteria as set out in this document.

2.REQUIREMENTS

USE OF REASONABLE SKILL AND CARE

In applying the scope of work, it is expected of the service provider(s) to render services that commensurate with the highest expectations of professionals in the industry and to ensure that all legislative requirements are met.

It is expected of the service provider to take ownership of the project and to facilitate a process that commensurate with the integrity of the municipality as a public institution to ensure successful completion of project within budget estimates and time frames.

It will also be required of the service provider to report back at project management team meetings and to contribute to reports on the process progress and outcomes to the relevant officials and/or committees if need be.

It will be required of the service provider to prepare a detailed phased project program for the project within 2 weeks of appointment. This must include system testing and user acceptance. The Service Providers are required to acknowledge the dynamics of proper planning for the practical completion of the project. The completion of the project will be within three (3) months after allocation of the tender.

2. NORMATIVE REFERENCES

The solution offered must be compliant with SABS 1524, the STS Specifications and SABS IEC 1036. The following standards contain provisions which through reference in the SABS 1524 constitute provisions of this specification.

SABS 1524-1:1994	Single-phase electricity dispensing systems, Part 1: Electricity Dispensers.
SABS IEC 1036:1990	Alternating-current static Watt-hour meters.
NRS 009-4-2:1994	National electricity meter cards and associated numbering standards section two national electricity meter number. (Replacing MCI57).
MC 115	National electricity meter card specification for ED's (will be replaced by an NRS spec in future)
IEC 62055-41/51/52	Standard transfer specification edition 2, STS600-8-6
ESKOM XMLVend 2.1	Eskom's specification for standardization of vending client/server protocols
NRS 009-1:1994	Electricity Sales Systems Part 1: Glossary system overview. Preferred requirements for applications in the electricity and water supply industry.

3. DETAILED SPECIFICATION OF VENDING SYSTEM

3.1 SYSTEM CONFIGURATION

- The vending system must be TCP/IP compliant and functional over Ethernet on a LAN/WAN environment. WIFI, GPRS, ADSL and Diginet lines must also be accommodated.
- The vending solution offered by the tenderer must be capable of managing and vending to Water and Electricity STS compliant meters from a common platform and user interface. A single consumer record must have the capacity to have Electricity and/or water meters linked to it.
- A hosted database configuration set is required with standby disaster recovery capability for business continuity.
- A disaster recovery plan shall be provided with all necessary hardware and infrastructure utilized.
- Assurance of business continuity in the event of a catastrophic systems and / or communications system breakdown in the Municipal environment must be provided. A description of associated redundancies built into the offered solution must also be provided

3.2 SYSTEM CAPACITY

The system shall be designed to ultimately accommodate a minimum of 200 000 consumers/meters. The system must have the capacity to retain a five (5) year transaction history (estimated 50 million transactions) in the live database and older transactions in an archive database. Any system limitations shall be indicated by the tenderer.

PREPAYMENT VENDING SYSTEM

The system offered must be Web-based system comprising fully functional prepayment vending and management system including all the operating and database needed to operate such a system.

The Vending system must cater for the following types of payment:

- Cash
 - Credit Card
 - Debit card
 - Electronic Bank Transfer
-
- The system must vend in real time on-line to all installed, existing and commissioned and newly prepayment meters in the municipal area of supply.
 - Greater Letaba Municipality must be indemnified against patent infringement including any damages awarded, attorney costs and the cost of replacing the vending system should patent infringements be awarded against Greater Letaba Municipality due to the Service Provider's vending system.
 - All system functions must be accessed via a user-friendly graphics user interface.
 - The prepayment meters must accept all codes generated by the system to a valid meter and must not reject the code generated.
 - The system must have the ability to collect arrears from the consumer by leveraging the prepayment transaction according to a unique formula for each consumer as determined by the Municipality.
 - The system must be able to collect all municipal account payments at the vending points.
 - The system must interface seamlessly with the municipal financial billing system on a transactional level as per agreed timing.
 - The system must be able to track the history/location of a meter from the time it is delivered to Greater Letaba Municipality's main store, through other local stores and points of connection until it is finally scrapped.
 - The system must be capable of interfacing with Greater Letaba Municipality's GIS and other 3rd party systems.

- The system must be operational 24 hour per day x 7 days per week x 365 days a year (24 x 7 x 365) basis.
- All new hardware and software must be guaranteed for the contract period.
- The maintenance on both the hardware and software must be provided for during the contract period.
- All new hardware, software and communication equipment installed must be covered by the Service Provider's insurance for the contract period.
- The Service Provider must be responsible for the supply of all the necessary consumables, e.g. printer paper, printer cartridges, etc.
- The necessary access must be available to the system for the purpose of auditing and inspection by the internal audit section and the office of the Auditor-General.
- The system must also provide the option for off-line mode of operation.
- The system must allow for debt collection module on municipal accounts, All the necessary communication lines, i.e. dedicated Telkom, cell phone, etc. must be provided as part of the system.
- The system must be able to vend to all consumers through up to +-10 vending points.
- The system must provide for the Free Basic Electricity (FBE) tokens.
- The system must not allow the issue of more than one FBE token per customer per month.
- The vending system must comply with the requirements of National Treasury's Standard Chart of Account specific to local government (M-SCOA for Municipalities).
- The system must be TID Roll over compliant
- The service provider must assist the municipality with the TID rollout process without any additional costs

4. PERFORMANCE SPECIFICATION

- A full and detailed functionality description of the system shall be provided by the tenderer.
- The tenderer shall not focus on provisioning of computer hardware since the Municipality will use existing infrastructure where possible. For this reason, it is also imperative that tenderers should be quite clear on where the Municipality's hardware and/or networks lack

the capability and/or capacity to function properly with the system proposed by the tenderer and the tenderer should indicate the cost of additional or replacement infrastructure.

A detailed graphical drawing depicting the proposed network and system layout must be drafted to clarify and indicate solution functionality. Should changes be required, full specifications and pricing must be provided.

- The system proposed by the tenderer should at least make sure that:

Different servers are utilized for different applications such as:

- Database functions
- Management applications
- Transactions
- Encryption / Security
- Disaster recovery

The vending solution should be designed to use a relational database and run as a client server application on a LAN or a WAN. It should be able to run under the Windows Server 2003/2008 and at least Windows XP operating systems. The network for the vending solution is Ethernet. The network protocols shall be TCP/IP and be able to operate real-time over GPRS/EDGE/3G/4G/5G/HSDPA/WIFI/ADSL/Diginet as available in certain areas in the on-line mode.

- In order to simplify the third-party integration, process the system will comply with Eskom XMLVend 2.1 (or later). It would be preferred that the system is native XML i.e. that there is no translation interface between the system and an XML client and that all client/server interfaces are based on the XML standard.
- The system shall be a single database solution which from which both management functions and vending take place for all meter and utility types. All updates to customer data must be immediately available at vending terminals and all transactions made at all sales outlets must be immediately available for reporting on.
- The vending terminal solution shall be web based or a web application which automatically updates from the host server should updates be posted. Security and data encryption will be provided by mutually authenticated SSL between the vending terminal and the server.
- The solution should have the capability to provide pre-paid vending services over the internet/intranet.
- The system should cater for integration to the municipal financial system and other vending mechanisms such as automatic cash handling machines, self-service terminals, and other

third-party vending networks by providing an API specification/solution to the alternate provider. The tenderer shall assist with integration testing.

- The solution shall be able to function on low-bandwidth requirement between remote vending points (credit dispensing units) and the central prepaid system (system master station) and optimized to run over networks (such as GPRS or better/faster), with the maximum packet size being minimal and clearly indicated. GPRS/LTE/WIFI/ADSL/DIGINET connection points should be created on the Greater Letaba Municipal infrastructure to directly serve transactions on this type of networks.
- The vending system shall cater for integration with the systems / applications in use. The nature of the integration shall be near-real-time of via and API to import for example, but not limited to the arrears balances / collections to / from the billing system.

The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

- The system must cater for storage of all information to comply with financial services regulations (e.g. the storage of all sales/vending transactions).
- The vending system will provide a web-based interface to allow for management functionality and reporting over the Municipality Intranet and internet. Connections will be secured by mutually authenticated SSL between the management terminals and the web server. The web-based access shall not be limited and must be accessible via Microsoft Internet Explorer, Firefox, Google Chrome and/or similar.
- Tamper monitoring and specific technologies to effect notifications in this regard should be catered for in the solution.

I. Operational support

- Assess accuracy of tariffs on the billing systems per customer category according to land use and levied interest.
- Verify uploaded tariff for electricity, water, sewage, refuse charged and basic charges for alignment with the approved tariffs.
- Quality assurance process for accuracy and completeness of billing for all services and rates in ratable area.
- Billing reconciliation on rates and all services rendered by the municipality
- Investigate discrepancies identified on the exception reports
- Metering – verify accuracy and completeness of readings (water and electricity) vs meter listing.

- Investigate no readings, error codes, deviations, estimates accounts for a period exceeding 3 months and reversal
- Alignment of meter reading process with billing processes
- Assist the municipality to address revenue leakages and improve revenue protection.
- Perform a GIS Gap analyses, identify unaccounted properties, recently registered properties and add omissions for future supplementary valuation and processing of updating database
- Reconcile current general valuation roll and supplementary valuation roll data against information and/assessment
- Verify the correct implementation tariffs, rebates and exemptions as managed in the Rates Policy per category, the phasing in of newly Rated Properties and the Required application documents as stipulated to qualify for the Rebates and exemptions per each property
- Identify completeness of billing for services supplied per site/ municipal supply area: rates, electricity (conversional or prepaid), water, sewage, Refuse, Rates, basic charges etc.
- Assist to link electricity prepaid meters to respective consumer accounts
- Assist with clearing of suspense accounts and unallocated deposit
- Assist with reconciliation of revenue reports
- Revenue analysis and collection of arrears metered service charges from active and inactive customers
- Assist the municipality to implement revenue protection initiatives
- Provide support to revenue management unit on stakeholder engagements
- Assist the municipality with smart meter rollouts including funding solutions
- Assist the municipality with revenue recovery and revenue collections both prepaid and postpaid
- Assist the municipality with meter reading
- Assist the municipality with cost-of-supply studies for both electricity and water
- Assist the municipality with renewable energy and wheeling opportunities

As part of operational support, the service provider will liaise with the appointed service providers for enforcement of credit control (meter reading, connection and disconnection of services for defaulting customers) to assist revenue unit in validating and reconciling monthly data and categorisation of properties that require intervention.

As part of review and implementation of revenue enhancement strategy, the service provider should:

- Liaise with service providers appointed by the municipality for mobilisation of funding for economic infrastructure and investment attraction
- Alignment of Revenue Enhancement strategy and Local Economic Development strategy, which intend to diversify revenue sources aspects of local economic development, relying on a broader range of income streams, capitalise on competitive advantage, Public-Private Partnerships, creation of new economic opportunities, etc. to enable the municipality to invest in Local Economic Development initiatives
- Assist the municipality with the implementation of revenue enhancement strategy action plan

Assist revenue management unit with reconciliation and validation of data and revenue generated through prepaid vending system. Collaborate with revenue unit to investigate meters with no recharge and/or unusual patterns.

Liaise with service providers appointed by the municipality that contributes to revenue generation and management trading services of the municipality.

5. SYSTEM / OPERATION REQUIREMENTS

5.1 GENERAL

The administrator(s) must have the option to link directly into the server from their offices for e.g. management, reports, etc. Maintenance staff must have the option to link into the system over a 3G data connection or better from remote locations to perform customer maintenance functions. The best connection available in the areas will be required to be used.

All licenses required must be clearly defined and a list provided with license cost. All limitations must clearly be indicated.

All current data on the current vending systems used by the municipality must be catered for on the supposed vending system. The last 3.5 years data must be migrated into the supposed vending system from the current vending system.

5.2 ACCESS

It must be possible to allocate access rights into the system into users and user groups. Access rights allocations shall be transferred during the data migration process and distributed throughout the system. The vending system must allow for activation of password ageing functionality. If this function is activated, the password of the user shall expire after a definable amount of time. Early password expiry warnings must be available. In addition, a concurrent log-in limit for log-in attempts is also required. User IDs not used or disabled permanently must not be able to be removed from transaction history data. A full audit trail on user IDs and movement must be kept. Access rights must be configured by the Municipality

5.3 ARREARS

The vending system offered by tenderer shall make it possible for the municipality to deduct arrears from moneys tendered by consumers to purchase pre-paid electricity and

/ or water. The vending system must be able to define within the applicable arrears scheme and/or credit control policy of the municipality different arrears recovery categories/indexes. Within each category/index, the system shall allow for various recovery alternatives. This must be included and enforced in all electricity dispensing strategies and/or systems, inclusive of third-party vending systems.

The system shall allow for at least:

- Fixed percentage of transaction recovery
- Availability charge recovery on a monthly or daily basis
- Full arrear payment recovery
- Partial or percentage-based arrear recovery and limited sales
- Linking of Sub-Metering with main account meter for customer rebate on multiple tenants

5.4BLOCKING

The vending system offered by the tenderer will allow for profiled blocking of purchases by customers based on arrears balances in specific account types. Blocking will be configurable by account type and will allow for either no sales or limited monthly sales to customers with arrears balances.

Customers with shared service accounts will all be unblocked simultaneously when any one blocked account is paid in full.

The system must allow for a once off sale after the blocking, limited to an amount which must be configurable by the Municipality

Implementation of debt collection

- Explore on all avenues for debt collection processes and before proceeding with legal action against debtors.
- Perform analysis on revenue collection of arrears relating to un-metered and metered service for both active and in-active rate payers
- Where necessary and in consultation with the municipality arrange reasonable repayment amount and terms in line with Control and Debt Collection Policy

- Issue summons to defaulting debtors in consultation with the municipality
- The list of debt collections on arrears will be determined and/or approved by the municipality
- If current debtor information is incorrect or insufficient, service provider will make use of any legal tracing method or access any relevant external data source to obtain correct debtor details. Locate debtors and information needed to succeed in recoveries
- The service provider must have revenue systems that will be compatible with the municipality's revenue system for the purpose of interface.
- The service provider must have revenue data management system and call center
- Perform site inspections where necessary
- In-depth knowledge of the liquidation process and insolvency law will be required in instances of winding up estates for deceased estates and liquidations to limit municipality's exposure and ensure all amounts due are collected.
- Assess and advise the Municipality on the prospects and cost effectiveness of recoverability of debt in terms of applicable legislation.
- Identification of indigent debtors in the normal debt collection processes, not recorded in the indigent register and issue referral to revenue unit.
- Recommendation for write-offs on all debt that is not collectable, with the necessary proof attached to the recommendations.
- Newly obtained customer information electronically should be shared with revenue for updated on system.

5.5mSCOA

The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

The service provider must provide proof of at least one on-line integration with a billing system where arrears balances are updated, and transactions are posted to the billing system real-time.

5.6ENGINEERING

The system must make provision for the generation of all STS engineering vouchers directly from the management terminal and these vouchers can be printed, viewed (without printing) or sent via SMS.

A smart phone-based Engineering application must be provided and should be configurable on any smartphone irrespective of the operating system. The application must allow for issuing of engineering tokens and for field meter replacements with an audit trail including GPS coordinates.

5.7 FREE ISSUES / REPLACEMENT TOKENS

The vending system should allow the issuing of vouchers free of charge with the requirement to add reasons and free text notes to each issue.

5.8 KEY MANAGEMENT

The vending system must support the upload of key management files (KMF) into the system database to configure and connect encryption devices, for STS encryption algorithms. This can be used to load details of new area keys into the encryption device.

STS certification to a minimum of STS Edition2: IEC62055-41 Ed3, including Electricity and Water units and currency vending and Key Management and Engineering tokens, conforming to a minimum of Edition 1.9 of the STS standards.

5.9 VENDOR CREDIT MANAGEMENT

The vending system should allow a limit for credit that any individual terminal or group of terminals in the system can issue without re-authorization. This amount can be defined per terminal.

The credit update of a terminal must be done by a supervisor (or another user with appropriate access rights) updating the credit limit via the management interface. All updates will be recorded; the records will include the previous credit balance and the user identity, the date and time of the update and a reference field with free text entry. The update will automatically print for audit purposes.

Electricity token limits will be set at terminal group level. These limits may be exceeded by operators with the input of a password to confirm the transaction value.

5.10 MESSAGES

The vending system should allow the utility to define voucher messages that are printed at the bottom of the printed voucher. The municipality must have the option to change the messages according to requirements.

5.11 REGISTRATION

The vending system must be able to track any historical connections between the meter, point of connection and the consumer.

5.12 VENDING

Vending to a consumer shall only be possible when a point of connection and meter are linked to the consumer and a tariff has been selected. The customer must still be able to do payments although blocked for pre-paid electricity sales.

Should the information on the database differs from the information on the meter card, no token must be generated.

5.13 SEARCH AND FILTER

The vending system should support full search for the following items in registration:

Stand number, Unit number, Consumer surname, first names, ID number, postal address details, comments, blocking codes, account number, point of connection (which can be the same as the stand/unit number, meter serial number.

All of these searches can be incremental searches or full word searches. Once the search criteria are entered, the system must display the first record matching the search condition or the closest field at any one time for the search.

5.14 REPORTS

A monthly comprehensive report, detailing all sales, trends, tampering in stats and graphs formats and any other information may be required.

The vending system should support a set of standard reports and the capability to customize and / or create new Reports. The tenderer undertakes to add or alter reports according to the needs of the Municipality for at least the first six months free of charge.

Printer selection and formatting according to operating system availability must be supported. Exporting of all reports to at least Excel or PDF must be supported. The standard reports required should include:

5.15 Standard operator reports

- Operator actions between dates grouped by date
- List of all users registered on the system
- List of all the user's groups and their functions
- List of all the groups and their respective functions

5.16 Standard consumer reports

- Number of consumers registered by town between dates
- List of POC'S grouped by system area code
- List of all STS meters registered on the system
- List of towns registered on the system
- List of disconnected meters by POC between dates
- List of disconnected meters by disconnect reason between dates
- Consumer information for POC'S
- Total new connections per town
- Total installed meters per town
- Meter replacements per town
- All consumers in alphabetic order

5.17 Standard transaction reports

- List of transactions grouped by date between dates
- Sum of transactions grouped by transaction type and tariff
- List of credit and debit card transactions between dates
- Total electricity bought between dates by consumer
- Free issues between dates per meter
- Cheques List between dates
- Low purchases of electricity over a specified period
- Total electricity bought in the last 30 and 90 days
- Breakdown of consumer's purchase times between dates
- Balancing report of credit amounts used against physical transactions
- Reversals between dates
- Summary of all end of shifts for a user between dates
- All transactions for a meter between custom dates
- Arrears owed by consumer
- Daily cash reconciliation report
- All transactions for an account between dates
- Low consumption report
- Indigent high purchase report
- Total sales by town
- Total sales by operator
- All transactions for one shift on one user
- Shift details for one user
- IBT customer purchase breakdown with graph

- IBT month sales analysis by Tariff Class

5.18 Engineering Reports

- Current power limit for a meter
- Current power limit for all meters
- Audit trail on Amperage changes
- Reports in the vending system must be able to be previewed before printing.

5.19 SOFTWARE

The vending system should be able to use/support the Windows 10, or earlier software/operating systems. Where systems / operating systems are upgraded, the vending systems must be configured to support such upgrades.

5.20 TARIFFS

The vending system must support the use of vending based tariffs. The system must cater for pre-defined tariffs by date to be created in advance. Tariff structure of current vending systems must be accommodated.

Meter Tariff Index and Customer Tariff Class must not be linked in the system in order to avoid key changes when tariffs are changed, for instance from an Indigent to Domestic tariff.

5.21 BLOCK TARIFFS

A block tariff module or stepped tariffs must be able to be defined.

5.22 VAT

The vending system shall support the use of vending based VAT where the VAT is calculated at the time of vending.

5.23 SECURITY

The vending system interconnections shall be secured with mutually authenticated SSL certificates. The tenderer must describe the process of issue and management of these certificates.

Passwords must meet the Auditor General's requirements in terms of complexity and expiry. An optional One Time Pin for system administrators must be provided for.

5.24 ACCOUNT PAYMENTS

In vending, it should be possible to pay off arrears amounts or portions thereof separately from the purchase of actual electricity or water.

The solution shall also allow for debtor payments and sundry payments when required by the Municipality. This functionality will allow and provide the Municipality the capability of collecting account payments, arrear amounts as well as sell pre-paid services.

The business rules of the municipality will always apply. Current account amounts, arrear amounts, linked account amounts and blocking codes will be transferred from the financial system to the vending system.

The system must make provision for capturing of debit and credit cards payments and cancellation of payments (not tokens). Cancellation options must be linked to access rights.

NOTE: The debit card and credit card options must be configurable for each workstation.

The system must work in such a manner that the water or pre-paid electricity sales as well as the account payment amount be deducted from the credit amount on the dispensing unit.

The system must make provision for account payments on conventional meter accounts and rates accounts.

The cashier must be warned before a transaction is finally accepted.

The system must allow the cashier different search options but at least the following:

- Swipe meter card
- Manually key in meter number
- Manually key in billing account number
- Check token usage to avoid reprint.

5.25 VENDING AMOUNTS

For each workstation in a vending system, a list of predefined typical purchase amounts must be able to be setup individually.

5.26 THIRD PARTY VENDING

The service provider must be integrated with third party vending providers in order to provision the Municipality with a broad-based third-party footprint to sell prepaid electricity locally and nationally.

The footprint must include retail chain stores, banks, petrol stations web-based sales using credit card and/or EFT, and non-retail vendors. The service provider must indicate the process and cost, if any, of deploying additional footprint with non-retail (informal) vendors to areas where there is deemed to be insufficient coverage.

The service provider should indicate the process that they use to deal with non-retail (informal) vendors that are over-charging customers.

The service provider must describe in detail their remittance process where monies collected are paid across to the municipality. This must include payment schedules and administration requirements.

A list of vending sites or proposed vending sites, retail stores and banks that will be made available must be provided.

Please note: the municipality will not allow voucher-based vending to its customers.

5.27 IMPLEMENTATION AND COMMISSIONING

The tenderer shall be responsible for the conversion of current Municipal system data, static as well as historical transaction as well as all meter related data to the new system of which the cost must be included in the proposal.

5.28 SYSTEM CHANGES AND ENHANCEMENTS

The tenderer shall indicate corporate policy requirements on system enhancements and changes, including mSCOA compliance and the upcoming key rollover.

5.29 EXCLUSIONS

This document excludes the requirements for small online vending agencies that do not supply their own vending client server. This document is only intended for vending agencies that shall consolidate all interfaces to vending stations through an XMLVend compliant vending client server, which shall in turn communicate with the online vending server.

5.30 CREDIT GUARANTEE

Part of this agreement shall be your ability to maintain sufficient credit levels. To avoid running out of credit and therefore being liable for breach of contract, Municipality shall require a credit guarantee of R 30, 000 000.00 (Thirty Million Rand). Failure to maintain sufficient credit levels may constitute a breach of contract and may be grounds for cancellation of the contract.

5.31 Training and Skill Transfer

- Service provider should provide training to Municipal Official on transacting
- Give access to officials to view and transact online.
- Create vending station on Municipal office.
- Train dedicated personnel on report analysing.

6. COMPLIANCE SCHEDULE (VENDING)

No.	Question	Yes / No	Comments
1	Does the system comply with all the STS specifications as listed in the tender? Is the system certified for Electricity and Water vending attached?		
2	Does the system allow for configuration by the municipality for various system requirements?		
3	Is a list of system limitations attached?		
4	Is a full, detailed functionality description of the system attached?		
5	Is there a detailed strategy for the TID rollover included?		
6	Is a detailed graphical drawing of the proposed network and system attached?		
7	Is a detailed disaster recovery plan attached?		
8	Is a comprehensive 3rd Party payment remittance process attached?		
9	Are different servers utilized for the different applications e.g. transaction server, management server, etc.?		
10	Is this a single database solution with no data transfer or replication required?		
11	Does the system have the capability to provide pre-paid services to Electricity and Water customers using a single interface? Does a single Customer		

	record have the ability to link to multiple meter account types?		
12	Does the system integrate to other vending mechanics such as automatic cash handling machines, self-service terminals and other third-party options using Eskom XMLVend as an interface language?		
13	Is the system native XML or does it require a translation interface for XML based vending?		
15	Does the system allow for convenience charges to be charged at specific vending outlets over specific periods?		
16	Does the system provide for integration to the other systems in use at the municipality through the following options: API or periodic bulk export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data? Have the requirements of mSCOA been addressed?		
17	Does the system comply with financial services regulations regarding storage of data?		
18	Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used.		
19	Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet?		
20	Is a list of license requirements with limitations attached?		
21	Does the system provide for the management of smart metering?		
22	Does the system provide for access rights into the system for users and groups?		
23	Does the system provide for user ID disabled or removed to remain in history transaction data?		
25	Does the system provide for arrear recovery in line with the credit control policy of the municipality?		
26	Does the system provide for at least the following arrear recovery alternatives: fixed percentage of transaction recovery; service-based recovery; full arrear payment recovery; partial arrear payment recovery with limited electricity sales?		
27	Does the system provide for "free issues" (EBSST token) to be SMS to specific customers?		
28	Does the system allow a "free issue" (EBSST token) to indigents without having to purchase electricity		

	or pay arrear amounts even if system is set to full arrear recovery?		
29	Does the system print "duplicate invoice" or "copy invoice" on a receipt if the "free issues" (EBSST token) is requested more than once in a calendar month?		
30	Does the system allow the generation of all engineering tokens directly from the system master station?		
31	Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS?		
32	Does the system support all the different types of engineering vouchers as specified in the tender?		
33	Does the system provide for up-front vending?		
34	Can the abovementioned amount be defined per workstation?		
35	Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality's requirements?		
36	Does the system keep all historical connections between the meter, point of connection and the customer?		
37	Does the system allow vending when a point of connection, meter or tariff is not linked to a customer?		
38	Does the system allow payment of accounts although a blocking code is active that does not allow the customer to purchase pre-paid electricity tokens?		
39	Does the system provide for at least the standard reports as stipulated in the tender?		
40	Does the system allow for preview of reports before printing?		
41	Is a statistical MONTHLY management Report provided? Is a sample provided?		
42	Does the system support the use of vending-based tariffs?		
43	Does the system provide for pre-defined tariffs by date to be created in advance?		
44	Does the system accommodate the current vending structures of the municipality?		
45	Does the system support IBT (stepped tariffs)?		

46	Does the system support vending-based VAT that is calculated at time of vending?		
47	Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately?		
48	Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid electricity tokens?		
49	Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted, and the remainder of the money will then automatically be allocated towards pre-paid electricity sales?		
50	Does the system make provision to warn the cashier before finalizing any transaction?		
51	Does the system provide for integration of historical data?		
52	Is a list of current system users with full contact details supplied?		
53	Was an assessment of current infrastructure done and an optimum solution recommendation attached?		
54	Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/WIFI/GPRS/3G/EDGE/4G/5G/HSDPA/ADSL/DIGINET environment as available in certain areas?		
55	Does the system support vending stations run on at least Windows XP?		
56	Are all communications between client and server secured by mutually authenticated SSL certificates?		
57	Is provision made for periodic data synchronization with an off-line database in the municipal environment?		
58	Does the system support access through any web browser and the latest version of the standard Microsoft Internet Explorer and always keep up with updates by Microsoft?		
59	Does the system function under low-bandwidth requirements with minimum packet size? Please specify the bandwidth.		

60	Does the system cater for a monthly indigent update from file		
61	Is there an aggregator support letter attached?		
62	Is a policy regarding overcharging by vendors included?		
63	Is an ISO 9001-2015 certificate provided?		
64	Is a broad-based third-party vending footprint provided to municipalities including major retail, major banks, informal sector and web vendors?		

SCORECARD

Bid Evaluation

Tenderers must score a minimum of 80 points.

Item	Description	Value		Score	
1	Single interface integrated multi-utility system proposal for vending Electricity and Water from a single interface.	15	Full description and STS approval	15	
			No description and/or STS approval	0	
2	Broad based third-party vending footprint provided to municipalities including retail, banks, informal sector and web vendors. Also, attached 3 appointments and reference letters for 3 rd party vending	25	5 years or more	25	
			2 years or less	5	
			No experience	0	
3	Hosted on-line vending provided to municipalities. Attach 5 appointment letters.	30	5 years or more	30	
			2 years or less	5	
			No experience	0	
4	Disaster recovery and business continuity plan.	10	Plan included	10	
			No plan	0	
5	Detailed mSCOA implementation approach.	10	Plan	10	
			No plan	0	
6	Support Services and escalation process.	10	Plan included	10	
			No plan	0	

LIST OF RETURNABLE DOCUMENTS

SCM LIST OF RETURNABLE DOCUMENTS

The tenderer must complete the following returnable documents:

- Copy of company registration certificate (c.k. certificate)
- Proof of SARS Tax pin (for all companies in case of a joint Venture)
- The Bidders must submit the master registration number (Central Supplier Database Registration number) to enable the Municipality to verify the bidders tax compliance and other information.
- In case of a Joint venture, Association or Consortium a formal contract agreement must be signed by both parties and be attached (if applicable).).
- Certified ID copies of all directors/members/Shareholders of the company (for all companies in case of a joint Venture).
- Recent proof of payment for municipal rates and taxes or municipal services charges owed by that bidder or any of its directors to the Municipality which are not in arrears for more than three months in line with regulation no. 38 of Municipal Supply Chain Management Regulations / recent and original proof of residence from Traditional Authority or Induna in case where business is located in a non-ratable area / valid lease agreement signed between the Lessor and Lessee (bidder).
- Company profile or Schedule indicating bidder's experiences (For all companies in case of Joint Venture).
- Alterations signed, document completed in full and initial every page.
- The Bidder's must submit the master registration number (Central Supplier Database registration number) to enable the Municipality to verify the bidders tax compliance and other information.
- Authority for signatory.
- Attach proof of purchase for bid document (Receipt or Proof of payment)
- Written quotation according to the specification with clear price breakdowns on company's letterhead.

NB. Specific goals will be allocated as stated (10 Points black owned and another 10 points for company owned by a youth).

Bidders shall take note of the flowing bid conditions:

1. Specific goals in terms of the Preferential procurement regulations 2022 will apply on this bid.
2. Council reserves the right to negotiate further conditions in terms of SCM regulation 24 with the successful bidder.
3. Council reserves the right not to appoint.
4. No bidder will be appointed if not registered on Central Supplier Database
5. Late, Incomplete, unsigned, faxed, or emailed bids will not be accepted.

NB. Certification on the documents should not be older than six months.

MBD FORMS

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)			
BID NUMBER:		CLOSING DATE:	
DESCRIPTION			
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).			

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET 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			
TAX COMPLIANCE STATUS	TCS PIN:	OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ 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]			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	SCM UNIT	CONTACT PERSON	Ramalepe S
CONTACT PERSON	Modjadji KLM	TELEPHONE NUMBER	015 309 9246
TELEPHONE NUMBER	087 086 7503	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	015 309 9246	E-MAIL ADDRESS	Mahlagaumem@glm.gov.za
E-MAIL ADDRESS	Khomotsom@glm.gov.za		

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ 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 ABOVE.	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

PRICING SCHEDULE – FIRM PRICES**(PURCHASES)**

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

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

Name of Bidder.....	Bid Number.....
Closing Time	Closing Date

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

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

- Required by:
- At:
- Brand and Model
- Country of Origin
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
*Delivery: Firm/Not firm
- Delivery basis

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

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

*Delete if not applicable

**PRICING SCHEDULE – NON-FIRM PRICES
(PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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

Name of Bidder..... number.....	Bid
Closing Time	Closing Date

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

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

- Required by:
- At:
- Brand and model
- Country of origin
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- Delivery: *Firm/Not firm

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

***Delete if not applicable**

PRICE ADJUSTMENTS

IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

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

Pa	=	The new escalated price to be calculated.
(1-V) Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

Index..... Dated..... Index..... Dated..... Index..... Dated.....
Index..... Dated..... Index..... Dated..... Index..... Dated.....

FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

[illegible]

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

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

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means -

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

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

2.7 Are you or any person connected with the bidder presently employed by the state?

YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:

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

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

YES / NO

2.7.2.1 If yes, did you attached proof of such authority to the bid document?

YES / NO

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

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

.....
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

YES / NO

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between

YES/NO

any other bidder and any person employed by the state

who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

[illegible]

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES/NO

2.11.1 If so, furnish particulars:

.....

.....

.....

.....

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

[illegible]

4 DECLARATION

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

POINTS	
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \text{80/20} & \text{or} & \text{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)
 \end{array}$$

Where

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

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender.

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

7.1.5.1. Specific goals for the tender and points claimed	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and 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 time of 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);
 - Technical Specification(s);
 - 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 goods and/or works 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 fulfilment 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.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference number dated..... for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? or Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Is the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
 Signature

.....
 Date

.....
 Position

.....
 Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf

of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js9141w 4

TERMS AND CONDITIONS

TERMS AND CONDITIONS

CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THE GREATER LETABA MUNICIPALITY

1. Propriety Information:

Greater Letaba Municipality considers this Tender and all related information, either written or verbal, which is provided to the respondent, to be propriety to GREATER LETABA MUNICIPALITY. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of GREATER LETABA MUNICIPALITY.

2. Enquiries

All communications and attempts to solicit information of any kind relative to this Notice should be channeled to names provided below:

Contact person: (all questions should be directed to the person mentioned).

Telephone Number: 015 309 9246
Contact Person: Ramalepe S

3. Medium of Communication

All the documentation submitted in response to this bid must be in English.

4. Verification of Documents

Bidders should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the Greater Letaba Municipality in regard to anything arising from the fact that pages are missing or duplicated.

5. Validity period

Responses to this bid received from Bidders will be valid for a period of 90 days counted from the closing date of the bid.

6. Submission of Bids

6.1 Bids should be submitted in a sealed envelope endorsed, "Project Name" and the number of bid bidding on. The sealed envelope must be placed in the bid box at the Main Reception area of the Greater Letaba Municipality by no later than 12H00 on the Closing date.

6.2 The closing date, company name and the return address must be endorsed on the envelope.

6.3 If a courier service company is being used for delivery of the bid document, the bid description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered into the bid box.

6.4 No bid received by telegram, telex, email, facsimile or similar medium will be considered.

6.5 Where a bid document is not in the bid box at the time of the bid closing, such a bid document will be regarded as a late bid. Late bids will not be considered.

6.6 Amended bids may be sent in an envelope marked "amendment to bid" and should be placed in the bid box before the closing time.

6.7 The bidder is responsible for all the cost that they shall incur related to the preparation and submission of the bid document.

6.8 A list of all references (minimum of 3) with contact details must be included in the bid document.

6.9 A valid tax clearance certificate, Company Profile (experience) and Company Registration Certificate must be included in the bid document.

6.10 Kindly note that the Greater Letaba Municipality is entitled to amend any bid conditions, validity period, specifications, or extend the closing date of bids before the closing date. All bidders, to whom the bid documents have been issued, will be advised in writing of such amendments in good time.

6.11 The Greater Letaba Municipality reserves the right not to accept the lowest bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is technically acceptable and/or financially advantageous to the Greater Letaba Municipality.

6.12 The Greater Letaba Municipality also reserves the right to award this bid to a purely empowerment company or may award this bid on condition that a joint venture with an empowerment company is formed. This will be added to the criteria when evaluating.

6.13 The Greater Letaba Municipality also reserves the right to award this bid as a whole or in part without furnishing reasons.

6.14 The bidder hereby offers to render all or any of the services described in the attached documents to the Greater Letaba Municipality on the terms and conditions and in accordance with the specifications stipulated in this bid documents (and which shall be taken as part of, and incorporated into, this Proposal at the prices inserted therein).

6.15 Bids submitted by companies must be signed by a person or persons duly authorized thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the bid.

6.16 The bidder hereby agree that the offer herein shall remain binding upon him/her and receptive for acceptance by the Greater Letaba Municipality during the validity period indicated and calculated from the closing hour and date of the bid; this Proposal and its acceptance shall be subject to the terms and conditions contained in this bid document.

6.17 The bidder furthermore confirm that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accept that any mistakes regarding price(s) and calculations will be at his/her risk.

6.18 The bidder hereby accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on hi/her under this agreement as the principal(s) liable for the fulfillment of this contract.

6.19 All companies that have registered for VAT should indicate in the bid document as to whether the price is inclusive or exclusive of VAT.

GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of Liability

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)