

MUNISIPALITEIT
VAN
PRINS ALBERT

Rig alle korrespondensie aan:
DIE MUNISIPALE BESTUURDER
Privaatsak X53, Prins Albert, 6930

E-Pos / E-Mail: rekords@pamun.gov.za



MUNICIPALITY
OF
PRINCE ALBERT

Address all correspondence to:
THE MUNICIPAL MANAGER
Private Bag X53, Prince Albert, 6930

Tel: 023-541 1036, Fax: 023-541 1035

TENDER DOCUMENT

TENDER NUMBER		165 / 2022							
TENDER DESCRIPTION		PROVISION AND ADMINISTRATION OF AN ELECTRICITY AND WATER PREPAYMENT VENDING SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2025, FOR THE PRINCE ALBERT MUNICIPALITY.							
CLOSING TIME:	13H30	CLOSING DATE:	27 SEPTEMBER 2022						
Tender Box at: Administration Building Prince Albert Municipality 33 Church Street Prince Albert, 6930		NB: 1. All bids must be submitted on the official forms – (not to be re-typed) 2. Bids must be completed in black ink in writing. 3. No bids will be considered from persons in the service of the State.							
Name of Bidder:									
Tendered Amount:									
B-BEE Status level of Contribution									
Preference Points claimed:									
CSD Supplier Number:		M	A	A	A				
CSD Unique reference nr:									
Signature of Prince Albert Municipality officials at Tender Opening:		1.							
		2.							

Take note: B-BBEE certificates submitted with the bid document MUST be VALID ORIGINAL BBBEE CERTIFICATES or VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES.

TABLE OF CONTENTS

DESCRIPTION	DOCUMENT REFERENCE	Page number
Bidding Documentation Checklist		4
Tender Notice & Invitation to bid	MBD 1	5
Tax Clearance Requirements	MBD 2	8
Tender Specifications		9
Tender Functionality		13
Pricing Schedule	MBD 3.1	16
Declaration of Interest	MBD 4	18
Declaration for Procurement above R 10 million	MBD 5	21
Preference Points Claim Form	MBD 6.1	22
Declaration for Local Production and Content	MBD 6.2	26
Contract form - Purchase of Goods / Works	MBD 7.1	29
Contract form – Rendering of Services	MBD 7.2	31
Contract form - Sale of Goods / Works	MBD 7.3	33
Declaration of Bidder’s Past Supply Chain Management Practices	MBD 8	35
Certificate of Independent Bid Determination	MBD 9	37
Certificate for Payment of Municipal Services	MBD 15	49
General Conditions of Contract	GCC	41

CHECKLIST

PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT:

Authority to Sign a Bid – is the form duly completed and is a certified copy of the resolution attached?	YES		NO	
MBD 2 (Tax Clearance) – is an ORIGINAL and VALID Tax Status Pin attached?	YES		NO	
Functionality scoring – Is the form duly completed and signed? Supporting schedules, documents, proof of experience and other information required (if functionality is applicable).	YES		NO	
Specifications – Is the form duly completed?	YES		NO	
MBD 3.1 (Pricing schedule) – Is the form duly completed and signed?	YES		NO	
MBD 4 (Declaration of Interest) – Is the form duly completed and signed?	YES		NO	
MBD 5 (Declaration for Procurement above R 10 million) – Is the form duly completed and signed?	YES		NO	
MBD 6.1 (Preference Points claim for purchases/services) – Is the form duly completed and signed? Is a CERTIFIED copy of the B-BBEE Certificate or the original B-BBEE Certificate attached?	YES		NO	
MBD 6.2 (Declaration for Local Production and Content) – Is the form duly completed and signed? Are the relevant annexures (C, D & E) completed and submitted with this bid?	YES		NO	
MBD 7.1 (Contract form – Purchase of Goods / Works) – Is the form duly completed and signed?	YES		NO	
MBD 7.2 (Contract form – Rendering of services) – Is the form duly completed and signed?	YES		NO	
MBD 7.3 (Contract form – Sale of Goods / Works) – Is the form duly completed and signed?	YES		NO	
MBD 8 (Declaration of Past Supply Chain Practices) – Is the form duly completed and signed?	YES		NO	
MBD 9 (Certificate of Independent Bid Determination) – Is the form duly completed and signed?	YES		NO	
MBD 15 (Certificate of Payment of Municipal Accounts) – Is the form duly completed and signed? Are the Identity numbers and certified copies, residential addresses and municipal account numbers of ALL members, partners, directors, etc. provided on the form as requested?	YES		NO	
Attached Central Supplier Database (CSD) Report ?	YES		NO	

CERTIFICATION

I, the undersigned (full name.....), certify that the information furnished on this checklist is true and correct.

Signed:

Date:

Name:


Position:

Tenderer:

MBD 1

**PRINCE ALBERT MUNICIPALITY
 TENDER NOTICE AND INVITATION TO BID
 DETAILS OF TENDERER**

NAME OF BIDDER:									
TRADING AS: (if different from above):									
STREET ADDRESS:									
City / Town					Code				
POSTAL ADDRESS:									
City / Town					Code				
CONTACT PERSON:									
ENTERPRISE REGISTRATION NUMBER					CIDB CRS NUMBER:				
TCS PIN:					FACSIMILE NUMBER:				
EMAIL ADDRESS:									
TELEPHONE NUMBER:					CELLPHONE NUMBER:				
HAS TAX COMPLIANCE STATUS PIN BEEN ATTACHED?							YES	NO	
HAS AN ORIGINAL OR CERTIFIED COPY OF A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED (MBD 6.1)?							YES	NO	
HAS THE DELCARATION BEEN COMPLETED AND CURRENT, ORIGINAL OR CERTIFIED MUNICIPAL ACCOUNTS BEEN ATTACHED?							YES	NO	
DECLARATION									
I am duly authorised to represent the tenderer for the purpose of this tender and hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached document to the Prince Albert Municipality on the terms and conditions stipulated in this tender document and in accordance with the specification stipulated in the tender document.									
NAME (PRINT):				SIGNATURE:					
CAPACITY:				DATE:					

	PRINCE ALBERT MUNICIPALITY		
	TENDER NOTICE AND INVITATION TO BID		
	NOTICE NR:	165 / 2022	DEPARTMENT:
ADVERTISED IN:	Municipal Website, Die Burger Newspaper, Notice Boards, E-Tender		
DATE PUBLISHED:	27 August 2022		
BID NUMBER:	165 / 2022		
BIDS ARE HEREBY INVITED FOR: (Tender Description):	PROVISION AND ADMINISTRATION OF A WATER AND ELECTRICITY PREPAYMENT VENDING SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2025, FOR THE PRINCE ALBERT MUNICIPALITY.		
CLOSING DATE & TIME:	27 SEPTEMBER 2022 @ 13h30		
EVALUATION OF TENDERS:	Tenders shall be evaluated in terms of the Prince Albert Municipality Supply Chain Management Policy incorporating the Preferential Procurement Policy Framework Act, 2000. Bidders may claim preference points in terms of their B-BBEE status level of contribution.		
APPLICABLE PREFERENTIAL PROCUREMENT POINTS SYSTEM:	80 / 20		
LOCAL PRODUCTION AND CONTENT REQUIREMENT:	Local production and content are not applicable on this bid.		
CIDB REQUIREMENT:	Not applicable on this bid		
TENDER VALIDITY PERIOD:	90 Days Notwithstanding the period for validity of bids as set be deemed		

	to remain valid until formal acceptance by the Prince Albert Municipality of an offer at any time after the expiry of the original validity period, unless the Prince Albert Municipality is notified in writing of anything to the contrary including any further conditions) by the bidder.		
COMPULSORY BRIEFING SESSION:	No compulsory tender clarification meeting will be held.		
OPENING OF BIDS	Bids will be opened immediately thereafter, in public, at the Prince Albert Municipality Finance Building - Boardroom: (Thusong Centre, Adderley Street, Prince Albert, 6930)		
FUNCTIONALITY SCORING	Functionality scoring applicable on this bid. Bidders must obtain a minimum functionality score of 40 out of 50 points (80%) in order to be regarded as responsive.		
<u>AVAILABILITY OF BID DOCUMENTS</u>			
Tender Documents will be available at a cost of R 200.00 (inclusive of VAT) from the Prince Albert Municipality at the Financial Services Department, or at no charge from the municipal website (Website navigation is as follow: Procurement – Tenders/Quotations available).			
Alternatively, print Copies of the Tender Documents will be available as from 07h30 and thereafter on weekday from 07h30 until 15h30, at Prince Albert Municipality: Supply Chain Management Unit, Finance Building (Thusong Centre), 02 Adderley Street, Prince, Albert, at a non-refundable fee, payable to a cashier at above-mentioned address.	The fee may also be transferred via EFT to: Prince Albert Municipality (Current Account) ABSA Bank Prince Albert Account nr: 26-4056-0064 Branch Code: 632005. Proof of payment will be required upon collection of the tender documents. Bid Number to be used as payment reference with name of payee. Tender Document reference number: T165/2022 and Company Name		
Date available:	30 August 2022	Non-refundable Documentation fee:	R 200.00 (Incl. VAT)
Bids are to be completed in accordance with the conditions and bid rules contained in the bid document and supporting documents must be placed in a sealed envelope and externally endorsed WITH THE BID NUMBER, DESCRIPTION AND CLOSING DATE OF THE BID, and be deposited in the Tender Box, at the Finance Building (Thusong Centre) of the Prince Albert Municipality, 02 Adderley Street, Prince Albert. 6930. Bids may only be submitted on the bid documentation that is issued.			
This bid is not subject to Local Production and Content.			
The evaluation of this bid will be subjected to functionality scoring. Bidders must obtain a minimum functionality score of 40 out of 50 points (80%) in order to be regarded as responsive. Bidders who do not obtain the minimum score, will be regarded as non-responsive, and will not be considered further.			
Bids will be evaluated according to the 80/20 points system. The bids are subject to the Preferential Procurement Policy Framework Act 2000 and the Council's Supply Chain Management Policy.			

The Municipality reserves the right to withdraw any invitation to bid and/or re-advertise or to reject any bid or to accept a part of it. The Municipality does not bind itself to accept the lowest bid or to award a contract to the Bidder scoring the highest number of points.

Tenderers who are not yet registered are required to register on the Municipality's Accredited Supplier Database as well as the Central Supplier Database (CSD). Application forms are obtainable from the official website (www.pamun.gov.za) and registration at the CSD at <https://secure.csd.gov.za> .

ANY ENQUIRIES REGARDING <u>TECHNICAL / SPECIFICATION RELATED INFORMATION</u> MAY BE DIRECTED TO:		ANY ENQUIRIES REGARDING THE <u>SUPPLY CHAIN MANAGEMENT PROCESS / BIDDING DOCUMENTS</u> MAY BE DIRECTED TO:	
Section:	Financial Services	Section:	Supply Chain Management
Contact person:	Ms. Jo-Verda Ladouce	Contact person:	Ms. Christa Baadjies
Tel:	023 541 1748	Tel:	023 541 1748
Email:	ladouce@pamun.gov.za	Email:	scm@pamun.gov.za

Authorized by:

ALDRICK HENDRICKS
Acting Municipal Manager
27 August 2022

PRINCE ALBERT MUNICIPALITY

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of tender that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations, before an award may be considered.

1.	In order to meet this requirement bidders are required to complete in full the form TCC 001 " <i>Application for a Tax Clearance Certificate</i> " and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2.	Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za .
3.	SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4.	The original Tax Clearance Certificate and/or Tax Status Pin must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate and the tax status pin will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5.	In bids where Consortia / Joint ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
6.	Applications for Tax Clearance Certificates 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 .

PRINCE ALBERT MUNICIPALITY	
TENDER SPECIFICATIONS	
TENDER NUMBER:	165 / 2022
TENDER DESCRIPTION:	PROVISION AND ADMINISTRATION OF AN ELECTRICITY AND WATER PREPAYMENT VENDING SYSTEM FOR A CONTRACT PERIOD ENDING 30 30 JUNE 2025.
1. BACK GROUND: PRINCE ALBERT MUNICIPALITY	
<p>Prince Albert Municipality covers the towns of Prince Albert, Klaarstroom, Leeu Gamka and the Rural Area, with approximately 2 471 prepayment electricity meters. It must be noted that the Municipality is currently aggressively promoting the conversion to prepayment electricity and water meters in the area.</p> <p><i>Please Note: In the instance where we award a tender and conclude a contract for a Financial System in the future, where the vending system for prepayment vending is part of the offering, the electricity prepayment vending system agreement may be terminated with six months written notice.</i></p>	
2. CURRENT STATE	
2.1. Syntell S3 Vending system are currently in use.	
3. SCOPE OF WORK AND SPECIFICATIONS	
3.1 Requirements: <p>The Bidder shall provide all system documentation, which must include, but not limited to schematics of the full Vending System network to the Municipality. The minimum hardware and software requirements on which to run the Vending System and a full description and technical details of the solution offered, shall be specified. Any special features shall be detailed.</p>	
3.2 Compliance with Specifications: <p>Bidders shall submit with their tender a schedule, listing clause-by-clause, specific details indicating compliance or non-compliance with the requirements of the Specifications.</p>	
3.3 Staff Component: <p>Bidders shall specify the number of technical staff engaged in implementation and testing of the vending software and integration development as well as the support staff available after hand-over and whether a call centre is available. The bidder must ensure that the staff members to be replaced in any event are of the same standard, qualification and experience, specifically the project manager and the senior support person must be allocated to this contract throughout the duration of the contract.</p>	
3.4 Guaranteed System Performance: <p>3.4.1. The process of full commissioning of the system must be started after the contract has been awarded, to ensure full operational implementation on 1 October 2022</p> <p>3.4.2. The Bidder shall guarantee the systems' functional performance. The software must always be up to date and have the latest updates/patches installed to correct or address any failure within the system.</p>	

4. Vending System Cost:

- 4.1 The Municipality's method of payment for the Vending System is a monthly fee.
- 4.2 The Bidder shall specify the support costs per hour which will be applicable after final commissioning and handover. A proposed/draft Service Level Agreement (SLA) which provides all the details of support must be included.
- 4.3 The Bidder shall separately identify the individual functional modules included in the total cost, such as:
- 4.3.1 Vending System Operational components
 - 4.3.2 Upgrade / replacement of existing on-line vending machines. Any upgrades will be communicated to the Municipality for approval.
 - 4.3.3 Software, including database, operating system, workstation and Point of Sale (POS) if applicable.
 - 4.3.4 Hardware requirements for POS (if applicable)
 - 4.3.5 Integration to the Prince Albert Municipality Financial Management System (Vesta Phoenix), please provide reference letter.
 - 4.3.6 Metadata migration from existing system to new system and complete system and interface testing (scheme structure to be defined when tender is awarded)
 - 4.3.7 Training costs.

5. Vending Infrastructure:

- 5.1 The active Vending System shall be hosted off site, by the service provider, please provide full details for the hosting of the vending system.
- 5.2 The back-up Vending System shall be hosted off site, by the service provider.
- 5.3 The Vending System must have the capability to vend to all meters installed in the Municipality's service area including the following meters:
- 5.3.1 All STS meters;
 - 5.3.2 Plessey proprietary – both secure number and PTS types, estimated 110 meters currently in use.
(Please note proposals to replace the meters to allow for vending will be allowed, such proposals will be dealt with in conjunction with the Functionality criteria).
- 5.4 The transfer from the existing system to the new system shall be seamless. The service provider shall at the end of the contract ensure that all existing data is properly backed-up and secured prior to a new system being deployed. Cost for the recovery of the loss of existing meter data, whether accidental or otherwise, during transfer from existing system to the new system, shall be for the account of the new Service Provider.

6. Interfacing:

The Municipality currently uses the Phoenix (VESTA) Financial System. The Vending System offered must have the capability to interface with, at current, applicable modules at all times, inter alia customer database, billing system, etc, or any other financial management system that might be implemented

7. Technology and Platforms:

7.1 Database

- 7.1.1 The back-end system must operate on a SQL Relational database.
- 7.1.2 The data fields must conform with the following rules;
 - 7.1.2.1 All NULL's must be systematically treated within the RDBMS.
 - 7.1.2.2 There must be a unique identifier for each record.
- 7.1.3 The software shall allow concurrent users to access data on a central database from various online terminals.

7.2 Vendor Data Model

- 7.2.3 The data model must provide for the following:
 - 7.2.3.1 The Erf will be the Point-of-Connection.
 - 7.2.3.2 The tariff shall be connected to a Consumer.
 - 7.2.3.3 Multiple different Meter Types (single- and three phase meters) may be connected to the same Point-of-Connection.
 - 7.2.3.4 The data model shall allow for the definition of hierarchical Nodes in order to simulate a distribution network.

Prepayment Water and Electricity Vending System

7.2.3.5 The data model shall allow for WGS-84 GPS coordinate definition with all locations. These include the location of the meter, point of supply, pole and/or transformer location.

7.2.3.6 The data model shall allow for individual aux adjustments for example 60/40 (as a default percentage) which means that the client will receive only 40% of the amount in units, and the 60% will appear on the client's account as a receipt but could be adjusted to a higher percentage.

7.2.3.7 **The Bidders proposed data model must accommodate, for enhanced management purposes, additional resources like prepaid water and/or gas capabilities.**

7.3 Web Interface

7.3.1 All system functions shall be accessed via a user-friendly Web Interface.

7.3.2 The system shall allow for the following business logic:

- ✓ Customer Management;
- ✓ Meter Management;
- ✓ Reporting

7.3.3 The business logic must in particular include, often used functionality that will allow end-users to view, update and query the system on-line without placing an excessive burden on bandwidth.

7.4 Security

7.4.1 The system shall allow for the addition of an unlimited number of named users.

7.4.2 The system shall allow for smart card-based SSL security to be implemented for on-line Point of Sale.

7.4.3 The bidder shall comply with Prince Albert Municipality's User Access Management procedures.

7.4.3.1 The minimum password length for users is 8 characters, containing alphabetical (upper and lower case), numeric and special characters (symbols).

7.4.3.2 The system must require the users to reset their passwords on an interval of 90 days;

7.4.3.3 The system must only allow for the re-use of previously used password, after 12 changes;

7.4.3.4 The system must allow for 5 grace logins, that is, login attempts with the incorrect password. Thereafter the account must be locked. Resetting of passwords must be done by the System Administrator.

7.4.3.5 The system must make provision for the user to log out of the system.

7.5 Transaction Switching

7.5.1 In case of disaster recovery the system should have the ability to vend from a redundant back-end system. for example, if the production system goes down the vending to point of sale clients should not be stopped but continue using the alternate vending back end.

8.1 Critical Performance Parameters

Note: All Bidders will be required to demonstrate the following capability on demand:

8.1.1 The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 5 000 customers through a minimum of 10 vendors generating a minimum of 1 000 transactions per month.

8.1.2 The software and database shall have no limitation on the number of named users and workstations it can accommodate.

8.1.3 The system must be a real time system.

8.1.4 The Bidder must indicate how many transactions per second can be processed, with at least 2 per minute.

8.1.5 The system shall be operational on 24 hours x 7days a week x 365 days per year basis.

8.2 Electricity Prepayment Vending**8.2.1 Transactions**

8.2.1.1 A transaction consists of taxes, levies, standing arrears and services and the entire transaction must be atomic.

8.2.1.2 Any rounding errors of kWh beyond the first decimal shall be recorded in the database as separate transaction rows to ensure effective reconciliation.

8.2.1.3 Transaction reversals shall:

- (a) Be affected with full trace-ability of the reversal;
- (b) Shall allow for a reason to be supplied;
- (c) Shall be traceable to an operator; and

(d) Shall reverse an entire transaction batch consisting of taxes, levies, auxiliaries and resource amounts.

8.3.2. Vending Operations

8.3.2.1. Network communication for the point of sale and web access shall include but not be limited to the following:

- ✓ Corporate LAN / WAN;
- ✓ Internet

8.3.2.2. The point-of-sale client will allow the end-users to vend without placing an excessive burden on bandwidth.

8.3.2.3. Standard language available on the system shall be English.

8.3.2.4. Standard currency available on the system shall be South African Rand/cents. The system shall allow for the configuration and adjustment of multipliers and decimal points.

8.3.2.5. The system shall be capable of the following:

- a) Vending to all prepayment meters (proprietary and STS) in the Municipality's area of electricity supply.
- b) Vending free electricity grants.
- c) Collecting arrears.
- d) Handling step tariffs.
- e) Allowing transaction viewing, re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- f) Ability to look up the localized:
 - ✓ transaction history,
 - ✓ free units,
 - ✓ replacement tokens,
 - ✓ engineering tokens, and
 - ✓ arrears payments of a relevant consumer.

8.3.2.6 The system Certified by the STS association as being Vending, Engineering and Key Change Management compliant. **Copy of certificate must be attached and is compulsory.**

8.3.3. Vending Management

8.3.3.1 The system shall allow for the definition of independent banking batches, sales batches and shift batches to accommodate various levels of operators.

8.3.3.2 The system shall allow for the automated or manual sign-off of banking batches from a central point.

8.3.3.3 Tokens and receipts shall be customizable templates. See Annexure "A" for an example detailing information to be reflected on the printed token.

8.3.3.4 It shall have the functionality to print a message on the token of at least 40 characters, which can be customer specific, or a general message to all customers.

8.3.4. Debt recovery

8.3.4.1 The system must have the ability to collect arrears from the consumer.

8.3.4.2 The percentage to be collected from customers in arrears must be customisable to predefined percentage, for example 60/40 where 60% is the collection on arrears and 40% is the electricity component.

8.3.4.3 A consumer's unique debt collection profile shall be automatically updated by the system based on payments made. (For example: In the instance where there is no real-time interface to the financial system then, prior to the update of the customer profile with the financial system, a tally must be kept of all payments made and arrears adjust accordingly.)

8.3.4.4 All credit control shall be dictated by Prince Albert Municipality's Financial System; however, the vending system must allow Prince Albert personnel to overwrite the amount.

8.3.4.5. Multiple meters and accounts per erf must be accommodated.

8.3.4.6. Prince Albert Municipality's Financial System will update the following details to the Vending System:

- a. The amount to be recovered.
- b. A variable percentage recovery.
- c. The Phoenix (VESTA) Financial System prepaid contract account number.
- d. The prepayment meter number

Prepayment Water and Electricity Vending System

- 8.3.4.7. The Vending System sends the following details to Phoenix (VESTA) Financial System:
- a. All arrear payments received from the customers: variable percentage.
 - b. Phoenix Financial System prepaid contract account number
 - c. The prepayment meter number.

8.3.5. Tariffs

- 8.3.5.1 The system must accommodate step tariffs blocks (where each block is a range), with a minimum of 4 kWh/1 kiloliter-based steps.
- 8.3.5.2 Unique tax and fixed charges profiles shall be definable for each tariff blocks independent of the step tariff blocks according to monthly monetary value transacted, or kWh/kl bought.
- 8.3.5.3 The Vending system shall have automated activation dates for tariff changes.
- 8.3.5.4 The Vending system shall allow the Municipality to change their reconciliation and tariff rules, irrespective of the system's functionality and operation the transactions shall be reconciled by an independent reconciliation application operating at central level.
- 8.3.5.5 Management must be able to upload new tariffs on the vending system.

8.3.6. Payment System

The vending system shall be capable of supporting the following:

- 8.3.6.1 The type of transaction at the vending outlet shall be recorded as follows:
- a. Cash,
 - b. Credit/debit card – shall be recorded by either swiping the credit /debit card through the vending system card reader, flagging the transaction as both a credit/debit card sale and record the banking institution or capture details manually.
 - c. No cheque payments will be accepted through the vending system.
- 8.3.6.2 Vouchers generated by the system for issue to customers must contain the information as per Annexure A or at least be similar in terms of the layout.

8.4. Vendor Management

8.4.1 The Bidder shall be responsible for the following:

- 8.4.1.1 Setting up guidelines for appointing and contracting of the vendors and compiling an agreement / contract pricing, this will be a percentage of sales. **The guidelines and agreement to be approved by the municipality.**
- 8.4.1.2 Advertising and information meetings with prospective vendors.
- 8.4.1.3 Appointment of vendors and signing of contracts. The Municipality will determine the quantity of vendors per location as required from time to time.
- 8.4.1.4 Providing all the necessary hardware, software and communications equipment needed for the vendor to operate.
- 8.4.1.5 Providing training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- 8.4.1.6 Providing the necessary consumables, e.g., paper, printer cartridges, etc.
- 8.4.1.7 Providing the routine, preventative and necessary maintenance, repair and servicing as is required to maintain the equipment.
- 8.4.1.8 Collecting revenue from the vendors, ensuring compliance to all security measures.
- 8.4.1.9 Insurance against revenue loss, with a minimum of R500 000.
- 8.4.1.10 To reconcile the revenue received from the vendors on a daily basis.
- 8.4.1.11 Payment of any vendor commissions owed.
- 8.4.1.12 Payment of revenue received (Prepaid & Auxiliary separately) directly in municipality's account the next business day.
- 8.4.1.13 Providing daily and monthly reports as required by the municipality, including audit reports.
- 8.4.1.14 The bidder has the responsible for appointing a minimum of 10 third party vendors in all areas in the Greater Prince Albert municipality after the tender is awarded.

8.4.2 Support Services

- 8.4.2.1 The Bidder shall be responsible for providing a 24 hours x 7 days per week support service for vendors.

8.5 Meter Configuration Management Software

- 8.5.1 All meter management processes shall be performed via a task centric user-friendly, graphical user interface. The minimum number of pre-defined meter management tasks shall be:
- a. Receive a meter from a service provider,
 - b. Send a meter to a service provider for repair,
 - c. Scrap a meter,
 - d. Install a meter,
 - e. Remove a meter,
 - f. Change status of a meter,
 - g. Update status of a meter,
 - h. Create a location,
 - i. Update a locations detail,
 - j. Link a consumer with a location / meter
- 8.5.2 Meter management processes shall automatically change the modes (example block, un-block and auxiliary) of operations associated with a meter. The system must make provision for bulk block, with the import of an excel file into the system.
- 8.5.3 The system shall be customisable in real time and in such a way that processes could be adapted to the utility's unique process flows and needs.
- 8.5.4 The system shall allow for an unlimited number of meters.

8.6 Reporting and Information

- Provision shall be made for a report generating system for reporting, viewing and printing on inter alia:
- (1) Energy sales per meter,
 - (2) Energy sales per POC (point of connection)
 - (3) Energy sales per customer
 - (4) Electricity purchased by cash, cheque, credit card, debit card, electronic fund transfer
 - (5) Financial statistics relating to individual transactions
 - (6) Total sales per vendor (point-of-sale) in a date range
 - (7) All transactions for a shift per vendor (point-of-sale)
 - (8) Shift details per vendor (point-of-sale) in a date range
 - (9) Refunds given
 - (10) Free units issued
 - (11) Number of customers purchasing less than a specified number of kWh per month
 - (12) Value of service charges per tariff
 - (13) Recovery of arrears
 - (14) Debt statistics:
 - ✓ Outstanding debt balance
 - ✓ Loaded debt
 - ✓ Collected debt total/vendor
 - ✓ Manually cleared debt
 - ✓ Debt loadings report
 - ✓ Block meters with outstanding debt
 - (15) Number of active customers per town
 - (16) History of all customers per POC (point of connection)
 - (17) History of all meters at a POC (point of connection)
 - (18) Movement history per meter
 - (19) Movement history per customer
 - (20) Meter changes
 - (21) Electricity purchased per Suburb
 - (22) Total meters installed per Suburb
 - (23) List of customers selected by street name or a portion of the address
 - (24) List of disconnected meters by disconnected reasons in a date range
 - (25) List of disconnected meters by town
 - (26) List of disconnected meters by POC (point of connection)
 - (27) Blocked meters on system
 - (28) Statistics of installed meters filtered by date range, connected type, district, etc.
 - (29) Available sequence number report
 - (30) Engineering tokens report
 - (31) Point of sale credit updates
 - (32) User audit trace

(33) Deleted transaction reports.

(34) Vendors per district

9. Financial and Vending System Integration

9.1 It shall be the responsibility of the successful Bidder to liaise with the service providers of the financial system to ensure fully automated system integration and to finalise the detailed design of the interfaces after the contract has been awarded.

9.2 The following are the minimum integration that will be required to provide functionality between the financial system and the Vending System:

9.2.1 An arrears balance / credits outbound file from financial system to the Vending System. Before downloading balances to the Vending System, all balances must be zeroed on Vending System.

9.2.2 The outbound information from financial system to the Vending System for customer data for all new connections and retrofits (credit meters replaced with prepayment meters).

9.2.3 An arrears payments / refunds inbound file from Vending System to the financial system for arrears collected and refunds given.

9.2.4 An inbound file from the Vending System to the financial system for all meter changes carried out (may be considered).

9.2.5 An inbound file from the Vending System to the financial system for all Vendor sales.

9.2.6 An inbound file from the Vending System to the financial system for sales transactions that has been deleted.

9.3 In the integrations listed above only the data that has changed must be transferred between the Vending System from the financial system.

10. System Testing

10.1 The test plan to be followed during the testing of the Vending System must be submitted with the tender.

10.2 The system including integrations with the financial system and the "Super-vendors" shall be tested thoroughly together with the successful Bidder and the personnel from the Municipality before final handover/sign-off.

11. Migration of Data and Commissioning of new System

11.1 The successful Bidder shall be responsible for liaison with the existing System Vendor in order to migrate all existing data from the existing Systems. As per the stipulation with this contract, the existing vendor will provide the data and the schemer for export/import to the new system.

11.2 The full commissioning of the system must be started after the contract has been rewarded and implemented before the start date, 01 October 2022.

12. Training

12.1 The scope and cost of the training for the staff of the Municipality shall form part of the tender.

12.2 A full training schedule indicating what type and level of training shall be provided.

12.3 The Municipality's staff must be fully trained and proficient by 31 December 2022.

12.4 The training shall include, but not limited to full system administration.

13. Vending Options

13.1 The system should as a minimum, cater for:

13.1.1 Voucher-based vending and SMS and call centre validation (including call centre redemption).

13.1.2 Mobile Points of Sale vending via handheld vending devices operation on GPRS / GSM.

13.1.3 Cell phone vending for mobile vending agents using standard cell phones to sell electricity.

13.1.4 Internet Web Site vending. Payment mechanism on the web site must cater for credit/debit cards and vouchers.

13.1.5 Connection interface for third-party vendors and services compliant to ISO 8583. This should be a separate, dedicated switching application.

14. Vending of STS Water Meters

14.1 The bidder shall be responsible for the vending of STS Water Meters compliant with SANS 1529-9: 2008 Edition 2.1.

14.2 The STS Water Meters the bidders shall be responsible to vend all above ground and wall mount box housing STS Water Meters but are not limited;

15. Compliant with TID 2024

15.1 The bidder to submit a proposed solution of the company's readiness for TID 2024, as per information provided by the STS Association.

15.2 The bidder must submit a TID 2024 proposal with its bid document.

16. Proposal and Service Level Agreement

16.1 A proposed Service Level Agreement/s should be submitted within three (3) months after the tender is awarded. Please note that the Service Level Agreement/s should be in line with the General Conditions of Contract and the specifications as included in this tender.

17. Pricing

17.1 Pricing must include for all categories and items of expenditure and bidders must include it on the Pricing Schedule for this purpose.

17.2 The bid offer price will remain valid for a period of 90 days.

18. Commencement Date

The contract period will commence on the date of signing the contract or 01 January 2023, whichever is last and will end on 30 June 2025.

19. Tender Functionality/ Requirement of this tender.

Please note it is very important that all prospective tenderers comply with the functionality criteria/ requirements of this tender as set out below. Failure to submit relevant documents to these special conditions/requirements will result in the tenderer being found non-responsive and will not be evaluated on price and preference. Please refer to page numbers in the tender document where the special conditions/ requirements can be obtained.

19.1 Tenderers must have an official satellite office in the Southern – Cape/ Central Karoo, or must submit the willingness to establish such office within three (3) months after the tender is awarded.

19.2 Tenderer must be able to vend Plessey proprietary electricity meters – both secure number and PTS types, estimated 110 meters currently in use. ***(Please note proposals to replace the meters to allow for vending will be allowed, such proposals will be dealt with in conjunction with the Functionality criteria).***

19.2 The bidder must provide within its tender document a comprehensive TID Rollover Proposal ensuring business continuity, by allowing the current installed prepaid meter base to continue working beyond November 2024. The proposal must include a commercial offer which indicate the price per meter for such rollover proposal.

19.3 The bidder must include an STS Association Certificate tested for compliance with IEC 62055-41 Edition 3, in accordance with the STS531 and also compliance test specifications Edition 1.9 Utilizing protocols STS600-8-6 STS Edition 2.

19.4 The Vending System offered must have the capability to integrate with current financial system Phoenix (VESTA). Confirmation letter must be attached.

19.5 The bidder must have at least five (5) years' experience in providing a vending system and reference letter/s must be attached in the form of:

- ✓ Name Company/ Municipality;
- ✓ Date from to date to, or current.

4. APPLICABLE STANDARDS AND REGULATIONS

4.1. Supply Chain Management (SCM) Regulations.

4.2. Prince Albert Supply Chain Management Policy incorporating Preferential Procurement.

4.3 Bidders are obliged to apply the most recent standards as listed below:

STS Part 1, 2 and 3	Standard Transfer Specifications.
SANS 1524-1	Electricity Payment Systems – Part 1: Prepayment meters
NRS 057/SANS 474	Code of Practice for Electricity Metering Note: This is a mandatory specification as determined by NERSA license conditions

4.4 Prospective service provider/ contractor must comply with the prescripts of any legislation and any other regulatory requirements relevant to this proposal, the following legislation deserves special mentioning:

- Municipal Finance Management Act (MFMA)
- Public Finance Management Act (PFMA)
- Municipal Systems Act (MSA)
- Municipal Structures Act (MSA)

5. ABBREVIATIONS

5.1. SCM- Supply Chain Management

5.2. PAM- Prince Albert Municipality Bidding Document

ANNEXURE A

Sample of a Prepaid Vendor Token

PRINCE ALBERT MUNICIPALITY

Receipt Number : XXXXXX
VAT Invoice : POS ID/Meter Number/XXXXXX
VAT Reg No: 4159827951

Name: BAADTJIES KL.
Meter: XXXXXXXXXXXX
SGC: 000610 KRN: X TI : XX

DOMESTIC XXXX CONSUMPTION
Date: DD/MM/YYYY Time: HH:MM:SS

Cost of Electricity per unit excl. VAT	XXXXX
Daily Service Charge excl. VAT	XXXXX
No. of units purchased	XXXXX units
No. of days since the last purchase	XXXXX days

Sub-Total	XXXXX
VAT	<u>XXXXX</u>
Total	XXXXX

Arrears Recovered	<u>XXXXX</u>
Grand Total	<u>XXXXX</u>
Less Rounding	XXXXX
Amount to pay	<u>XXXXX</u>
Amount Tendered	<u>XXXXX</u>
Change	<u>XXXXX</u>

XXXX	XXXX	XXXX
	XXXX	XXXX

.....40 CHARACTER MESSAGE.....

DIRECTOR: ELECTRICITY SERVICES
PRINCE ALBERT MUNICIPALITY
CHURCHSTREET 33
PRINCE ALBERT
6930

PRINCE ALBERT MUNICIPALITY

TENDER FUNCTIONALITY

1. The evaluation of tenders will be done in terms of compliance to the functionality criteria indicated below. Bids failing to achieve the minimum qualifying score for functionality as indicated in the bid documents will be disqualified from further evaluation.
2. Fifty (50) points are available as indicated in the table below. The bidder must score at least 40 out of 50 points (80%) in order for the bid to be responsive. Bidders who do not meet the minimum functionality score, will be regarded as non-responsive, and not be evaluated on price and preference points.
3. The following are the evaluation criteria for functional responsiveness. Bidders must complete the functionality table. All proof must be attached in order to claim points for functionality.

ITEM	CRITERIA	MAXIMUM POINTS AVAILABLE	POINTS AWARDED	REFERENCES TO PROOF ATTACHED IN TENDER
1.	SIMILAR EXPERIENCE IN PREPAYMENT VENDING SYSTEMS IN YEARS <ul style="list-style-type: none"> - 0-2 Years' experience (2 points) - 2-4 Years' experience (4 points) - 4-6 Years' experience (7 points) - More than 6 Years' experience (10 points) 	10		
2.	SIMILAR VENDING PROJECTS SUCCESSFULLY IMPLEMENTED AND OPERATIONAL? Two (2) points for every project successfully and operational (At least 5 000 active meters) <i>Contactable reference sites must be submitted with the tender. Failure to comply will result in the bidder not obtaining the necessary points.</i>	20		
3.	CAPACITY/ABILITY TO IMMEDIATELY VEND THE ESTIMATED 110 PROPRIETY METERS? <ul style="list-style-type: none"> • Immediate Vending (20 Points) • 0- 30 days Replace meters (10 Points) • 31-60 days Replace meters (7 points) • 61- 90 days Replace meters (3 Points) Proof must be submitted by prospective bidders that their current vending system can vend propriety meters/ Or proposal for the replacement of Propriety meters must be submitted by the prospective bidder.	20		
TOTAL FUNCTIONALITY POINTS OBTAINED		50		

MBD 3.1

PRICING SCHEDULE

PRICING INSTRUCTIONS:

1. The document must be completed in non-erasable black ink.
2. NO correction fluid/tape may be used.
3. In the event of a mistake having been made, it shall be crossed out in ink and accompanied by an initial at each and every alteration.
4. The bidder must indicate whether he/she/the entity is a registered VAT Vendor or not.
5. In the case of the bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

	INDICATE WITH AN "X"										
Are you/ Is the firm a registered VAT Vendor?	YES							NO			
If "YES", please provide VAT Number											

I / We _____

(full name of Bidder) the undersigned in my capacity as _____

of the firm _____

hereby offer to Prince Albert Municipality to render the services as described, in accordance with the specification and conditions of contract to the entire satisfaction of the Prince Albert Municipality and subject to the conditions of tender, for the amounts indicated hereunder:

PLEASE NOTE: Rates must be firm and fixed for the duration of the contract period ending 30 June 2025, unless terminated at any time with six months written notice in the instance as referred to in paragraph 2 (background).

Section 51 of the Municipal Supply Chain Regulations states:

“51. Contracts providing for compensation based on turnover. —

If a service provider acts on behalf of a municipality or municipal entity to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality or municipal entity must stipulate—

- a. *a cap on the compensation payable to the service provider; and*
- b. *that such compensation must be performance based.”*

Upon due consideration of all influencing factors, the Municipality has determined to cap the total revenue to the service provider(s) at R4 million per annum as total compensation for all obligations in terms of this contract.

Note: For comparative evaluation purposes the amount (Rand value) of sales will be calculated at R 400 000 per month. This is based on current sales for the last 3 years projected forward over the duration of the contract.

Item Description	Estimated quantities	Unit of measure	Rates (Incl VAT)	Total Price (Incl VAT)
1. ONCE OFF FIXED COST:				
1.1. System set-up and training	1	Once-off		
1.2. Implementation: Interface with financial system	1	Once-off		
Sub Total				
2. MONTHLY FIXED COST				
2.1. License/Usage Fee (unlimited users)	12	Monthly		
2.2. Back-up Vending Disaster Management, including reports.	12	Monthly		
Sub Total				
3. VARIABLE COST:				
3.1. Vending				
3.1.1. Transaction Fee (%) *	R 400 000	monthly%	
3.2. Bank Charges				
3.2.1. Banking Fees- Cash transactions*	12	Per month		
3.2.2. Credit Card*	12	per month		
3.3. Support Costs				
3.3.1. Rate per call out – All Inclusive	3	per annum		
3.3.2. Rate per call out – After hours – All inclusive	3	per annum		
3.4. Other Costs (on going)				
3.4.1 Additional development				
3.4.2 Integration				
3.4.3 Project Management				
3.4.4 Database Management				
3.4.5 Testing and Configuration				
3.4.6 Training				
3.4.7 Manager Training				

3.4.8 Hand-holding				
3.4.9 TID Rollover Cost*	2 471	Cost per meter		
4. SPECIAL NOTE AND PRICE ESCALATION				

4.1 Special Note to Bidders:

- ✓ All bidders must tender on all item descriptions, even if there's no cost to the municipality, it must be then be indicated with R0.00.
- ✓ Bidders must take note that the evaluation of the tender for price will only be conducted on the variable cost which include the vending transaction fee %, banking charges and other cost only the TID Rollover Cost, cost per meter will be taken into consideration.
- ✓ The estimated quantities in the pricing schedule (calculated on usage over the term of the existing contract) serve as a guideline for price calculations and will be used for evaluation purposes only.
- ✓ Please note that the estimated quantities are based on historical data, and only serves as indication of possible future requirements and must not be regarded as the actual quantities.
- ✓ Please note that Bank Charges will be paid by Prince Albert Municipality. The amounts in the pricing schedule will be used for evaluation purposes only to determine a comparative price.

4.2 As the cost of service is based on turnover, the Annual tariff increase by the municipality will represent the annual escalation, this will be capped at an increase of 6% per annum on the average cost per unit dispensed, resulting in the percentage commission on turnover to be adjusted downward if the municipal tariff increases to the majority of pre-paid customers exceed an annual increase of 6% per financial year. If the municipal tariff increase is lower than the average CPIx rate as at 30 June each year (calculated on the preceding 6 months CPIx) published by STATS SA, an increase in commission equal to the National Treasury growth parameters annually determined in the National Treasury budget circular to municipalities will be applied.

<p>Signature of Prince Albert Municipality Officials at Tender Opening</p>	<p>1. _____</p> <p>2. _____</p>
---	---------------------------------

3.13	Is any spouse, child or parent of the company's directors, trustees, managers, principal shareholders or stakeholders in service of the state?	YES / NO	
3.13.1	If so, furnish particulars.		
3.14	Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?	YES / NO	
3.3	If so, furnish particulars.		
4.	Full details of directors / trustees / members / shareholders:		

COMPLETION OF THE FOLLOWING INFORMATION IS COMPULSORY:

Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number

CERTIFICATION

I CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

NAME OF ENTERPRISE			
CAPACITY		DATE	
NAME (PRINT)		SIGNATURE	
1. MSCM Regulations: "in the service of the state" means to be -			
	a member of –		
a)	(i) any municipal council; (ii) any provincial legislature; or (iii) the National Assembly or the National Council of Provinces;		
b)	a member of the board of directors of any municipal entity;		
c)	an official or any Municipality or municipal entity;		
d)	an employee of 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);		
e)	a member of the accounting authority of any national or provincial entity; or		
f)	an employee of Parliament or a provincial legislature.		

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

MBD 5

**DECLARATION FOR PROCUREMENT ABOVE R 10
MILLION (VAT INCLUDED)**

Not required for this tender.

MBD 6.1

PRINCE ALBERT MUNICIPALITY									
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017									
NB:	BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITION AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.								
1. GENERAL CONDITIONS									
1.1.	The following preference point systems are applicable to all bids: <ul style="list-style-type: none"> ▪ the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); ▪ the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included). 								
1.2.	The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.								
1.3.	Preference points for this bid shall be awarded for: Price; and B-BBEE Status Level of Contribution.								
<table border="1" style="width: 100%;"> <tr> <td style="width: 80%;">1.3.1 The maximum points for this bid are allocated as follows:</td> <td style="text-align: center;">POINTS</td> </tr> <tr> <td>PRICE</td> <td style="text-align: center;">80</td> </tr> <tr> <td>B-BBEE STATUS LEVEL OF CONTRIBUTION</td> <td style="text-align: center;">20</td> </tr> <tr> <td>Total points for Price and B-BBEE must not exceed</td> <td style="text-align: center;">100</td> </tr> </table>		1.3.1 The maximum points for this bid are allocated as follows:	POINTS	PRICE	80	B-BBEE STATUS LEVEL OF CONTRIBUTION	20	Total points for Price and B-BBEE must not exceed	100
1.3.1 The maximum points for this bid are allocated as follows:	POINTS								
PRICE	80								
B-BBEE STATUS LEVEL OF CONTRIBUTION	20								
Total points for Price and B-BBEE must not exceed	100								
1.4.	Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.								
1.5.	The municipality reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the municipality.								
2. DEFINITIONS									
2.1.	“all applicable taxes” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;								
2.2.	“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;								
2.3.	“B-BBEE status level of contributor” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;								
2.4.	“bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;								

2.5.	“Broad-Based Black Economic Empowerment Act”	means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
2.6.	“comparative price”	means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
2.7.	“consortium or joint venture”	means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
2.8.	“contract”	means the agreement that results from the acceptance of a bid by an organ of state;
2.9.	“EME”	means any enterprise with annual total revenue of R5 million or less;
2.10	“Firm price”	means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
2.11	“Functionality”	means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
2.12	“non-firm prices”	means all prices other than “firm” prices;
2.13	“person”	includes a juristic person;
2.14	“rand value”	means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
2.15	“sub-contract”	means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the <i>contract</i> ;
2.16	“total revenue”	bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the <i>Government Gazette</i> on 9 February 2007;
2.17	“trust”	means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
2.18	“trustee”	means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
3.	ADJUDICATION USING A POINT SYSTEM	
3.1.	The bidder obtaining the highest number of total points will be awarded the contract.	
3.2.	Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;	
3.3.	Points scored must be rounded off to the nearest 2 decimal places.	
3.4.	In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.	
3.5.	However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.	

3.6.	Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.								
4. POINTS AWARDED FOR PRICE									
<p>4.1. THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS</p> <p>A maximum of 80 or 90 points is allocated for price on the following basis:</p> <div style="text-align: center;"> <table style="margin: auto;"> <tr> <td style="text-align: center;">80/20</td> <td style="text-align: center;"> or</td> <td style="text-align: center;">90/10</td> </tr> <tr> <td style="text-align: center;">$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$</td> <td style="text-align: center;">or</td> <td style="text-align: center;">$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$</td> </tr> </table> </div> <p>Where:</p> <p>P_s = Points scored for comparative price of bid under consideration P_t = Comparative price of bid under consideration P_{min} = Comparative price of lowest acceptable bid</p>				80/20	or	90/10	$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$
80/20	or	90/10							
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$							
5. Points awarded for B-BBEE Status Level of Contribution									
5.1.	In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:								
5.2.	B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)						
	1	10	20						
	2	9	18						
	3	6	14						
	4	5	12						
	5	4	8						
	6	3	6						
	7	2	4						
	8	1	2						
	Non-compliant contributor	0	0						
5.3.	Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.								
5.4.	Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.								
5.5.	A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.								
5.6.	A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.								
5.7.	Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.								
5.8.	A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract. Such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and								

	ability to execute the sub-contract.			
5.9.	A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.			
6.	BID DECLARATION			
6.1.	Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:			
7.	B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1			
7.1	B-BBEE Status Level of Contribution:		Points claimed (maximum of 10 or 20 points)	
7.2.	Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA.			
8.	SUB-CONTRACTING			
8.1.	Will any portion of the contract be sub-contracted? Indicate YES / NO			
8.2.	If yes, indicate:			
	(i)	What percentage of the contract will be subcontracted?	%	
	(ii)	The name of the sub-contractor?		
	(iii)	The B-BBEE status level of the sub-contractor?		
	(iv)	Whether the sub-contractor is an EME? Indicate YES / NO		
9.	Designated Group: An EME or QSE which is at least 51% owned by:		EME √	
	Black people		√	
	Black people who are youth			
	Black people who are women			
	Black people with disabilities			
	Black people living in rural or underdeveloped areas or townships			
	Cooperative owned by black people			
	Black people who are military veterans			
	OR			
	Any EME			
Any QSE				
10.	DECLARATION WITH REGARD TO COMPANY/FIRM			
10.1	Name of firm			
10.2	VAT registration number			
10.3	Company registration number:			

10.4 Type Of Company/ Firm [TICK APPLICABLE BOX]	Partnership/Joint Venture / Consortium	
	One-person business/sole propriety	
	Close corporation	
	Ltd Company	
	(Pty) Limited	
10.5 Describe Principal Business Activities		
10.6 Company Classification [TICK APPLICABLE BOX]	Manufacturer	
	Supplier	
	Professional service provider	
	Other service providers, e.g. transporter, etc.	
10.7 Municipal Information		
Municipality where business is situated :		
Registered Account Number:		
Stand Number:		
10.8 Total number of years the enterprise has been in business?		

11. DECLARATION

I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - a) disqualify the person from the bidding process;
 - b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and forward the matter for criminal prosecution

NAME OF ENTERPRISE: _____

CAPACITY:		DATE:	
NAME (PRINT):		SIGNATURE:	
WITNESS 1:		WITNESS 2:	

MBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8 (2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286:2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
y is the bid price in Rand excluding value-added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Description of services, works or goods Stipulated minimum threshold

This bid is not subject to local production and content.

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the DTI must be informed accordingly in order for the DTI to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB:

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
 do hereby declare, in my capacity as
 of(name of bidder
 entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS 1: _____

DATE: _____

WITNESS 2: _____

DATE: _____

MBD 7.1

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 **PRINCE ALBERT MUNICIPALITY** 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

NAME OF FIRM

DATE

WITNESSES	
1.
2.
DATE:

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 numberdated.....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 ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

CONTRACT FORM – RENDERING OF SERVICES

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

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

- 7. I hereby undertake to render services described in the attached bidding documents to **PRINCE ALBERT MUNICIPALITY** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
- 8. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (iv) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)
- 9. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
- 10. 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.
- 11. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
- 12. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:	

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

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

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

MBD 7.3

CONTRACT FORM – SALE OF GOODS / WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

- 13. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from **PRINCE ALBERT MUNICIPALITY** in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.
- 14. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (vii) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Special Conditions of Contract;
 - (viii) General Conditions of Contract; and
 - (ix) Other (specify)
- 15. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.
- 16. 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.
- 17. I undertake to make payment for the goods/works as specified in the bidding documents.
- 18. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
- 19. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1.
2.
DATE:

CONTRACT FORM - SALE OF GOODS/WORKS
PART 2 (TO BE FILLED IN BY THE PURCHASER)

7. I..... in my capacity as.....
 accept your bid under reference numberdated.....for the
 purchase of goods/works indicated hereunder and/or further specified in the annexure(s).
8. I undertake to make the goods/works available in accordance with the terms and conditions of
 the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

3.

4.

DATE

MBD 8

PRINCE ALBERT MUNICIPALITY		
DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES		
1.	This Municipal Bidding Document 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.	
2.	The bid of any bidder may be rejected if that bidder, or any of its directors have:	
2.1	abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;	
2.2	been convicted for fraud or corruption during the past five years;	
2.3	wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or	
2.4	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).	
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.	
3.1.	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).	YES / NO
3.2.	If so, furnish particulars:	
3.3.	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)? The Register for 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
3.4.	If so, furnish particulars:	
3.5.	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
3.6.	If so, furnish particulars:	
3.7.	Does 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
3.8.	If so, furnish particulars:	
3.9.	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
3.10.	If so, furnish particulars:	

4. CERTIFICATION

I, certify that the information furnished on this declaration form are 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.

NAME OF ENTERPRISE:			
NAME (PRINT):			
CAPACITY:		DATE:	
SIGNATURE:		WITNESS 1	
		WITNESS 2:	

MBD 9

**PRINCE ALBERT MUNICIPALITY
 Certificate of Independent Bid Determination**

1.	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 per se prohibition meaning that it cannot be justified under any grounds
2.	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: <ul style="list-style-type: none"> 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.
3.	This Municipal Bidding Document 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.
4.	In order to give effect to the above, the following Certificate of Bid Determination must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

Bid Number:	
Description:	

In response to the invitation for the bid issued by the **PRINCE ALBERT MUNICIPALITY**, do hereby make the following statements that I certify to be true and complete in every respect:

certify, on behalf of (Name of Bidder):	
---	--

That:

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.

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.

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM ARE 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.

NAME (PRINT)		SIGNATURE	
CAPACITY		DATE	

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.

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.

MBD 15

PRINCE ALBERT MUNICIPALITY

CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES

(To be signed in the presence of a Commissioner of Oaths)

I, the undersigned, in submitting the accompanying bid, declare that I am duly authorised to act on behalf on:	<i>(Name of Enterprise)</i>
--	-----------------------------

I hereby acknowledge that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to the Prince Albert Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

To the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.

If the value of the transaction is expected to exceed R10 million (VAT included) I certify that the bidder has no undisputed commitments for municipal services towards any Municipality in respect of which payment is overdue for more than 30 days;

PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER	MUNICIPAL ACCOUNT NUMBER

FURTHER DETAILS OF THE BIDDER'S (Directors / Shareholders / Partners, etc.):

Director / Shareholder / Partner	Physical address of the Business	Municipal Account Number (s)	Physical / Residential address of the Director / Shareholder / Partner	Municipal Account Number (s)

NB: PLEASE ATTACH CERTIFIED COPY(IES) OF IDENTITY DOCUMENT(S).

NB: PLEASE ATTACH COPY(IES) OF MUNICIPAL ACCOUNTS.

NUMBER OF SHEETS APPENDED BY THE TENDERER TO THIS SCHEDULE (IF NUL, ENTER NIL).	
---	--

Therefore, hereby agrees and authorises the Prince Albert Municipality to deduct the full amount outstanding by the Tenderer or any of its directors / members / partners from any payment due to the tenderer; and

I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct. The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

NAME OF ENTERPRISE:			
NAME (PRINT):			
CAPACITY:			
SIGNATURE:		DATE:	

<p style="text-align: center;">COMMISSIONER OF OATHS</p> <p>Signed and sworn to before me at _____, on this _____ day of _____ 20__</p> <p>by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.</p> <p>COMMISSIONER OF OATHS:</p> <p>Position: _____</p> <p>Address: _____</p> <p>Tel: _____</p>	<p>Apply official stamp of authority on this</p> <p>page:</p>
--	---

PRINCE ALBERT MUNICIPALITY General Conditions of Contract

1. DEFINITIONS

The following terms shall be interpreted as indicated:

"Closing time"	means the date and hour specified in the bidding documents for the receipt of bids.
"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.
"Contract price"	means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
"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.
"Countervailing duties"	are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally
"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.
"Day"	means calendar day.
"Delivery"	means delivery in compliance of the conditions of the contract or order.
"Delivery ex stock"	means immediate delivery directly from stock actually on hand
"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.
"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.
"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.
"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.
"GCC"	means the General Conditions of Contract.
"Goods"	means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
"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.
"Local content"	means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
"Manufacture"	means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
"Order"	means an official written order issued for the supply of goods or works or the rendering of a service.
"Project site"	where applicable, means the place indicated in bidding documents.
"Purchaser"	means the organization purchasing the goods.
"Republic"	means the Republic of South Africa.
"SCC"	means the Special Conditions of Contract.

"Services"	means that 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.
"Supplier"	means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
"Tort"	means in breach of contract.
"Turnkey"	means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
"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. Invitations to bid are usually published in locally distributed news media and on the municipality / municipal entity website.

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 as 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.
- 6.2. When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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:
 - 7.3.1. bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - 7.3.2. a cashier's or certified cheque
- 7.4. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

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 inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery

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

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.

12. Transportation

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

13. Incidental

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any:
 - 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 13.1.4. 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
 - 13.1.5. 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, 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:
 - 14.1.1. 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
 - 14.1.2. in the event of termination of production of the spare parts:
 - 14.1.2.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

- 14.1.2.2. 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, 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.
- 16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3. Payments shall be made by the purchaser no later than thirty (30) days after submission of an invoice, statement or claim by the supplier.
- 16.4. Payment will be made in Rand unless otherwise stipulated.

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 or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

- 18.1. In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price and such offers, may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the 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. 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.
- 21.4. 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 22 without the application of penalties.
- 21.5. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- 23.1.1. 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;
 - 23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or
 - 23.1.3. 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 supplier as having no objection and proceed with the restriction.
- 23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchase 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:
- 23.6.1. the name and address of the supplier and / or person restricted by the purchaser;
 - 23.6.2. the date of commencement of the restriction
 - 23.6.3. the period of restriction; and
 - 23.6.4. 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 antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

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

26. Termination for insolvency

- 26.1. The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that

such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

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

28. Limitation of liability

- 28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
 - 28.1.1. the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - 28.1.2. the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

- 29.1. The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

- 30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4. No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

- 33.1. The contractor shall not abandon, transfer, cede, assign or sublet a contract or part thereof without the written permission of the purchaser.

34. Amendment of contracts

- 34.1. No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

- 35.1. 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.
- 35.2. 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 section 59 of the Competition Act No 89 Of 1998.

- 35.3 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.

General Conditions of Contract (revised July 2010)