

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DPSA

BID NUMBER:	DPSA004/2023	CLOSING DATE: 5 SEPTEMBER 2023	CLOSING TIME: 11:00	
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO REVIEW THE EXISTING ICT STANDARD CHART OF ACCOUNTS (SCOA) CODES STRUCTURE FOR THE PUBLIC SERVICE.			
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)				
Batho Pele House,				
546 Edmond Street,				
(C/O Hamilton Street),				
Arcadia				
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Lorraine Masenya / Mmapula Kotsokoane		CONTACT PERSON	Ayanda Nkundla
TELEPHONE NUMBER	012 336 1126/1389		TELEPHONE NUMBER	012 336 1250
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A
E-MAIL ADDRESS			E-MAIL ADDRESS	ayandan@dpsa.gov.za
SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS				
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.				

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

NB: THERE WILL BE A COMPULSORY BRIEFING SESSION ON THE 30TH AUGUST 2023 @10H00; 2ND FLOOR CONFERENCE ROOM; BATHO PELE HOUSE; 546 EDMOND STREET ;(C/O HAMILTON STREET); ARCADIA.

KINDLY REGISTER YOUR PROPOSALS /BIDS IN THE SUBMISSION REGISTER AT DPSA RECEPTION.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: DPSA004/2023
CLOSING TIME 11:00	CLOSING DATE... 05/09/2023

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO REVIEW THE EXISTING ICT STANDARD CHART OF ACCOUNTS (SCOA) CODES STRUCTURE FOR THE PUBLIC SERVICE.

NO BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....
.....	R.....
.....	R.....
.....	R.....
.....	R.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R..... days
.....	R..... days
.....	R..... days
.....	R..... days

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

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

Name of Bidder:

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

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

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

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

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

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

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

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

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

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

.....
Signature Date

.....
Position Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 The applicable preference point system for this tender is the **80/20** preference point system.

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

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

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

	POINTS
PRICE	80
B-BBEE (Status Level of Contributor)	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 Failure on the part of a tenderer to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS), or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.7 The organ of state reserves the right to require of a tenderer, either before a tender is

adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**B-BBEE status level of contributor**” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (d) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (e) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (f) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (g) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (h) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . =(maximum 20 points)

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

DECLARATION WITH REGARD TO COMPANY/FIRM

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

7.2. Company registration number:

7.3. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

7.4. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

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

(e) forward the matter for criminal prosecution, if deemed necessary.

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

SURNAME AND NAME:

DATE:

ADDRESS:
.....
.....
.....



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

INFORMATION SESSION CERTIFICATE

This is to certify that the company.....
attended a briefing session at **DPSA** @ Second Floor East, Conference
Room on **30 August 2023**.

Signed for the DPSA

Date

Signed for the Bidder

Date

**NB: THIS CERTIFICATE MUST BE SIGNED BY BOTH PARTIES AND
MUST FORM PART OF THE BID DOCUMENT**



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

THE DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

BID CHECK LIST

Have you submitted a proof of registration on the Central Supplier Database (CSD) with National Treasury?	YES	NO
In case of consortium, have all parties to the consortium/joint venture submitted a valid Tax Clearance Certificate? (Failure to submit a valid Tax Clearance Certificate for each party of the consortium/joint venture WILL result in the invalidation of your bid)	YES	NO
Is the SBD 6.1 form fully completed and signed by the duly authorized person? (Failure to fully sign the SBD 6.1 will result in the invalidation of your bid)	YES	NO
Are the following forms fully completed and signed? 1. SBD 1 2. SBD 3.3 3. Declaration of Interest (SBD 4) 4. SBD 6.1 5. Information session certificate	YES	NO

.....
Signature

.....
Date:



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

TO APPOINT A SERVICE PROVIDER TO REVIEW THE EXISTING ICT STANDARD CHART OF ACCOUNTS (SCOA) CODES STRUCTURE FOR THE PUBLIC SERVICE

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DEFINITIONS

TERM	DEFINITION
B-BBEE	Broad-based Black Economic Empowerment
BEC	Bid Evaluation Committee
DEPARTMENT	National Department, a national government component, the Office of a Premier, a Provincial department, or a provincial government component.
DPSA	Department of Public Service and Administration
eGSIM	eGovernment Service and Information Management
EXCO	Executive Committee
ICT	Information and Communication Technology
MPSA	Minister for Public Service and Administration
NSG	National School of Government
PAMA	Public Administration Management Act 11, 2014
PSA	Public Service Act, 1994
SCOA	Standard Chart of Accounts
SITA	State Information Technology Agency
TOR	Terms of Reference

1. PURPOSE

The Terms of Reference seek to invite service providers to bid for appointment to :

- a) Review the existing SCOA codes and definitions to accurately reflect ICT expenditure as to provide a comprehensive and reliable report on the status of ICT spending.
- b) Address the inconsistencies and inaccuracies in the ICT Standard Chart of Accounts (SCOA) codes and ICT definitions within the Public Service.

The Project aims to enhance the effectiveness and efficiency of the Public Service, improve service delivery to the public, and enable better reporting and analysis of ICT expenditure within the public service.

2. BACKGROUND

- 2.1. In 1999, the National Treasury launched a budget reform initiative aimed at increasing transparency and modernizing government finances. One of the key aspects of this program was the adoption of global best practices in budget and expenditure reporting.
- 2.2. To achieve this, the National Treasury implemented the use of the Standard Chart of Accounts (SCOA), which provides a standardized collection of codes for classifying financial transactions and accounts.
- 2.3. According to Section 3(1) of the Public Service Act (PSA), the Minister for Public Service and Administration (MPSA) has the authority to establish norms and standards related to various aspects, including Information Management, Electronic Government, Transformation, Reform, Innovation, and other matters that enhance the effectiveness and efficiency of the Public Service and its service delivery to the public.
- 2.4. Furthermore, Section 16(1c) of the Public Administration Management Act (PAMA) states that the MPSA may prescribe minimum norms and standards regarding Information and Communication Technologies in the Public Administration.
- 2.5. However, the Department of Public Service and Administration (DPSA), specifically its e-Government Services and Information Management (E-GSIM) branch, conducts annual reviews of ICT expenditure for national and provincial departments. These reviews

consistently uncover inconsistencies and inaccuracies in the SCOA codes and definitions related to ICT. Consequently, generating a comprehensive report on the actual status of ICT spending within the public service has become increasingly challenging.

- 2.6. In light of these findings, the ICT expenditure review has recommended an urgent revision of the SCOA codes and definitions pertaining to ICT. This revision aims to ensure that ICT expenditure is accurately recorded, reflecting the true extent of spending on ICT within the public service. By aligning the SCOA codes and definitions with the actual ICT spending, more reliable data can be generated, which will ultimately enhance reporting and analysis in the future.

3. PROJECT SCOPE

- 3.1. The DPSA seeks to appoint a suitable service provider to review the existing ICT standard chart of accounts (SCOA) codes for the public service.

The scope of the Project should cover the following areas:

- 3.1.1. Review the existing 130 records of the ICT SCOA codes.
- 3.1.2. Design a new ICT SCOA code structure suggesting amendments to facilitate better accurate reporting.
- 3.1.3. Suggest amendments to the existing ICT SCOA codes.
- 3.1.4. Recommend new ICT SCOA codes based on gap analysis and recommendations.
- 3.1.5. Define the ICT SCOA codes on goods and services by applying the best practice industry ICT terms and definitions.
- 3.1.6. Transfer the necessary skills to the DPSA personnel. A skills transfer plan must be developed as per the Terms of Reference.

4. PROJECT DELIVERABLES

- 4.1. The appointed service provider will be expected to deliver the final products to the DPSA premises at Batho Pele House, 546 Edmond Street, Arcadia, Pretoria, 0083.
 - a. Provide updated and relevant ICT SCOA codes structure for the public service.

- b. Technical Implementation /Chart of the ICT SCOA codes aligned to the National Treasury's requirements.

5. DESCRIPTION OF THE FINAL PRODUCT.

- 5.1. A comprehensive narrative and detailed description document to assist the DPSA in implementing the new ICT SCOA codes in the Public Service.
- 5.2. The document should be provided to the DPSA in a professionally designed and bound hard copy form, with three (3) hard copies and one (1) electronic copy in MS Excel.

6. COMPETENCIES AND EXPERIENCE REQUIRED.

- 6.1. Technical Knowledge, Skills, and competence of the project team members must include the following :
 - a) Advanced expertise in and understanding of the SCOA codes and definitions.
 - b) Detailed experience and knowledge of ICT taxonomy.
 - c) Broad experience and knowledge in ICT SCOA structures and definitions.
 - d) Undersanding of ICT legal legislative framework(s).
 - e) Ability to analyze and report on the data.
 - f) Access to local and international best practices and benchmarking information relevant to the Project.
 - g) Excellent project management, presentation, report writing, and communication skills.
 - h) Ability to provide knowledge transfer.
- 6.2. The project manager /leader must demonstrate the ability to organize and engage with stakeholders across the public service; at EXCO and technical levels.
- 6.3. The Team must be led by a person with appropriate specialist experience, extensive expertise in analysis; research, and project management, with strong communication skills.
- 6.4. The abridged curriculum vitae of all team members, their envisaged roles, and their level of involvement in the Project must be included in the proposal.

7. PROPOSAL REQUIREMENT

The proposals must be submitted in the following manner :

- 7.1. One original and five hard copies; and
- 7.2. The original and hard copies must be clearly indexed.

8. SERVICE LEVEL REPORTING

The service provider shall :

- 8.1. Report directly to the DPSA Chief Director: of ICT Governance and Management, who shall be the project manager for the Project and provide instructions to the service provider.
- 8.2. The service provider must also appoint a project manager /leader.
- 8.3. The Project will be overseen by a Steering Committee representing key stakeholders.
- 8.4. Be required to agree to achieve specific service levels outlined in a mutually agreed project plan.
- 8.5. Implement the necessary measures, monitoring tools, and procedures required for reporting the performance of services against applicable performance standards.
- 8.6. Provide the DPSA with the information and access to such tools and procedures upon request for verification purposes.
- 8.7. The DPSA and any relevant stakeholders will liaise with the service provider in person, through virtual meetings, by telephone, and by email as the need arises.
- 8.8. The Project is to be concluded within six (6) months from the contract's signing date.
- 8.9. Over and above the detailed work plan that should be included in the bid proposal, the service provider shall, within a maximum period of fourteen days of being awarded the contract, submit a detailed project plan outlining but not limited to :
 - 8.9.1. A detailed work plan with clear timeframes.
 - 8.9.2. The methodology to be followed.
 - 8.9.3. The specific tasks to be performed.

8.9.4. The service provider must set up a project meeting with the relevant DPSA officials and stakeholders to discuss the high-level work plan.

8.9.5. Should the need arise to discuss possible concerns /changes to the high-level work plan after that, these will be discussed during the regular project meetings or special meetings when necessary.

9. PROJECT MANAGEMENT

9.1. The DPSA requires that the service provider actively participates in project management during the Project's life cycle. The DPSA will establish the necessary project management mechanisms, including reporting schedules and formats stipulated in the project plan.

10. TRANSFER OF SKILLS

10.1. The service provider must demonstrate which opportunities it would utilize to transfer and /or enhance the skills of specified members of the project team and the mode in which the transfer of skills will occur. A skills transfer plan must be developed per the Terms of Reference.

11. PROPRIETARY RIGHTS

11.1. The DPSA shall become the owner of the documents that must be handed over after the completion of the Project.

11.2. All copyrights of the documents and reports compiled by the service provider will vest in the DPSA and may not be reproduced, distributed, or made available without the written consent and approval of the DPSA.

11.3. All information, documents, and reports must be regarded as confidential until made public by the DPSA.

12. APPOINTMENT, COMMENCEMENT, AND DURATION OF THE PROJECT

- 12.1. The service provider will be expected to commence with the Project after signing the contract.
- 12.2. The Project is to be completed within six (6) months. Dates for specific deliverables will be contained in the contract.
- 12.3. The printing of the final products (refer to paragraph 5) will commence once the DPSA has reviewed, commented on, and accepted the single comprehensive document.
- 12.4. It is expected that there may be various draft versions /draft parts of the report that will require review and consultation with public service stakeholders before the final version is accepted.

13. PAYMENT SCHEDULE

- 13.1. The DPSA shall, within 30 days of the receipt of a valid invoice and, having assured itself of the quality of the deliverables, effect the payment to the identified banking account of the service provider.
- 13.2. The deliverables against which payment will be effected will be specified in the contract.

14. LATE BIDS

- 14.1. Bids received late will not be considered. Service providers are therefore strongly advised to ensure that the bids are dispatched, allowing enough time for any unforeseen events that may delay the delivery of the bid.
- 14.2. The official Telkom time (dial 012 336 1026) will be used to verify the exact closing time.
- 14.3. Bids sent via means other than hand delivery shall be deemed to be received on the date and time of the arrival at DPSA premises.
- 14.4. Bids received at the physical address or via any other means after the closing date and time of the bid will not be considered.

15. WITHDRAWAL OR MODIFICATION OF BIDS

- 15.1. A service provider who submits a proposal in response to the terms of reference will have the right to withdraw, modify or correct a proposal after delivery thereof, provided that the request for such withdrawal, modification, or correction, together with full details of such modification or correction is received by the DPSA at the address provided before the closing date and time as stipulated for the receipt of proposals. Failure to do so before the closing date and time as stipulated will result in the original (pre-modified) bid being considered.

16. INTELLECTUAL PROPERTY

- 16.1. Copyright of all documents belongs to the DPSA. The successful bidder may not disclose any information, documentation, or products to other clients without written consent from the DPSA.

17. ACCEPTANCE / REJECTION OF THE BIDS

- 17.1. The DPSA reserves the right to accept or reject, wholly or in part, any proposals submitted in response to the bid within its sole discretion and having due regard to any applicable legislation or regulations.

18. PROPOSAL COST

- 18.1. Respondents shall bear all costs incurred in responding to the ToR and subsequent negotiations.
- 18.2. Rates of remuneration will be subject to negotiation taking into consideration DPSA hourly rates for consultants.
- 18.3. Should travel and accommodation requirements exist, the travel and accommodation rates as per the DPSA's travel Policy and Procedures will be applicable.

19. PRESENTATION

- 19.1. If required, shortlisted service providers may be expected to make presentations of a maximum of thirty (30) minutes to the Bid Evaluation Committee. The presentation should be focused solely on the requirements of the ToR.

20. CODE OF CONDUCT

- 20.1. Signature of and adherence to the Code of Conduct for Public Servants is an obligation of all DPSA employees and contractors. This same obligation will be required of the employees of the Service Provider.

21. POPI Act COMPLIANCE

- 21.1. Ensure compliance with the POPI Act and ensure DPSA personal information is protected from theft, unauthorized access, interference, modification, destruction, and disclosure to third parties.

22. NON-DISCLOSURE AGREEMENTS

- 22.1. By the nature of the work expected under this ICT SCOA Contract, the service provider's staff will likely be exposed to sensitive data as part of their normal day-to-day work. All contracted staff working on this contract (on-site or off-site) will be expected to sign a non-disclosure agreement for data protection purposes.

23. EVALUATION PROCESS

The evaluation process comprises the following stages :

23.1. Phase I: Minimum Mandatory Criteria Evaluation Phase Initial Screening process :

During this phase, bid documents will be reviewed to determine compliance with the submission of the mandatory submission requirements outlined below. **Failure to submit**

any of the mandatory submission requirements will lead to the disqualification of the bid during the bid evaluation process.

- a) The service provider must submit a detailed cost breakdown for the Project;
- b) A letter from the bidder confirming that the proposal is signed by a duly authorized representative (as per SBD 1);
- c) Reference letters on Organisation / Company track record in developing SCOA codes with other companies.
- d) Abridged curriculum vitae of all team members, their envisaged role, and level of involvement in the Project;
- e) One original document and five extra copies of the original document must be clearly indexed.
- f) The high-level implementation plan ;
- g) A company profile ;
- h) Skills transfer plan as per section 10 of the TOR.
- i) Fully completed and signed SBD forms; and
- j) Evidence of registration on the Central Supplier Database of Government (CSD) must be provided.

Note: all personal information provided will be used in accordance with the provisions of the Protection of Personal Information Act no 4 of 2013.

23.2. Phase II: Fuctionnality Evaluation

- a) The Bid Evaluation Committee (BEC) will conduct the functional evaluation;
- b) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in this section of the terms of reference. During this stage, bidders' responses will be evaluated for functionality based on achieving a minimum score of 60 out of 100.
- c) As part of their bid documents, Bidders must submit supporting documentation for all technical requirements as indicated hereunder. The panel is responsible for scoring the respective bids and will evaluate and score all bids based on their submissions and information provided.

- d) Bidders will not rate themselves, but must ensure that all information is supplied as required. The BEC will evaluate and score all responsive bids and verify all bidders' documents.
- e) If required, shortlisted service providers may be contacted to conduct a presentation on their bid to the BEC. The BEC shall score the presentations of the service providers.
- f) The panel members will individually evaluate the responses received against the following criteria as set out below :

23.3. Estimated costs

The service provider must provide pricing according to the services to be provided and indicate VAT and all disbursements.

Service Component	Once-off or Monthly Cost incl, VAT	Total six months, including VAT
Review the existing 130 records of the ICT SCOA codes.		
Design a new ICT SCOA codes structure suggesting amendments to facilitate better accurate reporting.		
Suggest amendments to the existing ICT SCOA codes.		
Recommend new ICT SCOA codes based on gap analysis and recommendations.		
Define the ICT SCOA codes on goods and services by applying the best practice		

industry ICT terms and definitions.		
Transfer the necessary skills to the DPSA personnel. A skills transfer plan must be developed per the Terms of Reference.		
TOTAL		

24. FUNCTIONALITY EVALUATION CRITERIA

The applicable values that will be utilized when scoring each criterion are reflected in the table below :

1. Proven service provider experience and capability in conducting similar projects.		Weighting
		60%
Criteria	Scoring indicators	Score
1.1. Organisational / Company track record (stability) Note: in the case of joint ventures and consortia, the combined years of operation will be considered.	13 and more years in operation	5
	10-12 years in operation	4
	7-9 years in operation	3
	4-6 years in operation	2
	3 years or less in operation	1
1.2. Qualifications and experience of team members within the relevant field of study,	Team members possess qualifications with 30 years of collective experience in relevant field expertise.	5

		Team members possess qualifications and 25-29 years of collective experience in the relevant field of expertise.	4
		Team members possess qualifications and 20-24 years of collective experience in the relevant field of expertise.	3
		Team members possess qualifications and 15-19 years of collective experience in the relevant field of expertise.	2
		Team members possess qualifications and less than 14 years of collective experience in the relevant field of expertise.	1
1.3.	Number of reference letters on Organisational / Company track record in developing SCOA codes with other companies.	More than 5 reference letters in the applicable field.	5
		4 reference letters in the field	4
		3 reference letters in the field	3
		2 reference letters in the field	2
		1 reference letter in the field	1

2.	Understanding and conceptualization of the assignment (technical approach and procedures)	Weighting 40 %
Criteria	Scoring indicators	Score
2.1.	Appropriateness and quality of the proposed work plan	<p>A comprehensive high-level work plan describing all activities in a logical sequence with clear time frames commensurate with the terms of reference.</p> <p>The work plan describes all high-level activities, supplemented with further sub-activities in a logical sequence with clear time frames commensurate with terms of reference.</p> <p>The work plan describes all high-level activities in a logical sequence with clear time frames commensurate with the terms of reference.</p> <p>The work plan describes high-level activities with timeframes not compatible with the terms of reference.</p> <p>Work plan activities do not commensurate with deliverables in terms of reference.</p>
		5
		4
		3
		2
		1

2.2.	Proposed methodology and approach to achieve required outputs.	<p>The methodology and approach include a high-level exposition and motivation in support of the proposal. It includes the full scope of the deliverables (outputs) in the ToR and clearly unpacks the anticipated risks, challenges, and appropriate mitigating strategies.</p> <p>The methodology and approach include high-level exposition and motivation in support of the proposal. It includes the full scope of the deliverables (outputs) in the ToR and touches on anticipated risks, challenges, and mitigating strategies.</p> <p>The methodology and approach include exposition and motivation in support of the proposal. It includes the full scope of the deliverables(outputs) in the ToR and touches on anticipated risks, challenges, and mitigation strategies.</p> <p>The proposed methodology and approach is a verbatim repeat of ToR.</p>	<p>5</p> <p>4</p> <p>3</p> <p>2</p>
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		Failed to align the proposed methodology with the required outputs of the Project.	1
Total functionality score			100%
The minimum threshold for the function			60%

- 24.1. Each panel member will rate each individual criterion on a score sheet using the above scoring guideline.
- 24.2. The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. The marks will be added and expressed as a fraction of the best possible score for all criteria.
- 24.3. The score will be converted to a percentage. Only bidders that have met or exceeded the minimum threshold of 60 percent for functionality will be evaluated and scored in terms of pricing and broad-based black economic empowerment status level certificates.
- 24.4. A proposal not meeting a minimum score of 60 percent for their technical proposal will not be considered for further evaluation.

25. EVALUATION CRITERIA

25.1. The Department will make use of the respective Broad-Nased Black Economic Empowerment Score Card in terms of the Broad-Based Black Economic Empowerment Act and its associated Regulations in terms of specific goals referenced in Preferential Procurement Regulations, 2022. The Preference point system will therefore be based on Price and points scored for the Borad-Based Black Economic Empowerment Status Level. Responsive bids will be adjudicated by the Department on the 80/20- preference point for Broad-Based Black economic empowerment in terms of which points are awarded to bidders based on the :

- a) The lowest Price (maximum 80 points);

b) Broad-Based Black Economic Status Level Contributor (maximum 20 points)

25.2. The following formula will be used to calculate the points for Price in respect of bidders with a Rand value below R50 000 000:

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

Where:

P_s = Points scored for the comparative Price of a bid under consideration

P_t = Comparative Price of a bid under consideration

P_{\min} = Comparative Price of lowest acceptable bid

25.3. **Broad-based Black Economic Empowerment and/or subcontracting with a Broad-based Black Economic Empowerment**

25.4. A maximum of 20 points may be awarded to a bidder who meets Broad-based Black Economic Empowerment requirements. The maximum number of Broad-based Black Economic Empowerment status points that could be allocated for this bid are indicated in the table below.

B-BBEE level of contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2

Non-compliant contributor	0
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- 25.4.1. Failure to capture the required status level and to submit the required B-BBEE status level certificates will lead to a zero (0) status level for non-compliant Service Providers.
- 25.4.2. The points scored by a bidder in respect of the points indicated above will be added to the points scored for Price.
- 25.4.3. Bidders are requested to complete the various preference claim forms in order to claim preference points.
- 25.4.4. Only a bidder who has fully completed and signed the declaration part of the preference claim form will be considered for B-BBEE status.
- 25.4.5. Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to B-BBEE status.
- 25.4.6. Points scored will be rounded off to the nearest 2 decimals.
- 25.4.7. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. In the event that two or more bidders are equal in all respects, the award shall be decided by drawing lots.

26. SUBMISSION OF PROPOSALS

Kindly address your proposals to the following:

Supply Chain Management: Bids and Contract Management
Batho Pele House (1st Floor)
546 Edmond Street
Arcadia
0083

27. CONTACT DETAILS

Enquiries with regards to the **technical contents** of this tender can be directed to :
Ms Ayanda Nkundla , Tel : (012) 336-1250, Cell : 061 442 0471,
e-mail : ayandan@dpsa.gov.za

General enquiries with regard to the bidding process can be directed to:
Mr. Michael Jackson, Tel : (012) 336-1189, email: MichaelJ@dpsa.gov.za.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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