



THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

BID DOCUMENT

APPOINTMENT OF A SERVICE PROVIDER TO PERFORM ASSETS VERIFICATION, PROVIDE THE FIXED ASSET REGISTER (FAR) IN AN APPLICATION SOFTWARE INCLUDING SUPPORT AND MAINTAINANCE FOR A PERIOD OF THREE (3) YEARS

BID NUMBER: PO 2024/25:003
CLOSING DATE: 21 January 2025
TIME: 11:00 AM
VALIDITY PERIOD: 120 days

Kindly take note of the following attached documentations:

Section 1: Standard Bidding Documents

Section 2: Special Conditions (Terms of Reference)

Section 3: General Conditions

Standard Bidding Documents (SBD) forms MUST be completed in full, in black ink (whether hand written or typed). Any changes on the SBD form must be countersigned by the bidder. The use of Tippex or any similar material is not permitted.

Bidders must submit the original bid document and completed SBD forms. In addition, bidders must submit two additional copies of the bid document, (that is, one hard copy (photocopy) and one soft copy in a PDF format, in a suitable electronic medium, e.g. flash drive or portable hard drive etc. Failure to do so may result in the bid/proposal being disqualified. All three bid documents must be submitted in a sealed envelope.

PART A INVITATION TO BID

| | | | | | |
|---|--|---------------|---|--|--|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) | | | | | |
| BID NUMBER: | PO:2024/25:003 | CLOSING DATE: | 21 January 2025 | CLOSING TIME: | 11:00am |
| DESCRIPTION | | | | | |
| APPOINTMENT OF A SERVICE PROVIDER TO PERFORM ASSETS VERIFICATION, PROVIDE THE FIXED ASSET REGISTER (FAR) IN AN APPLICATION SOFTWARE INCLUDING SUPPORT AND MAINTAINANCE FOR A PERIOD OF THREE (3) YEARS | | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| UNION BUILDINGS | | | | | |
| GOVERNMENT AVENUE | | | | | |
| ACARDIA | | | | | |
| 0001 | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | SCM: Acquisition Office | | CONTACT PERSON | Ms Nkhensani Muthobi | |
| TELEPHONE NUMBER | N/A | | TELEPHONE NUMBER | N/A | |
| FACSIMILE NUMBER | N/A | | FACSIMILE NUMBER | N/A | |
| E-MAIL ADDRESS | Tenders@presidency.gov.za | | E-MAIL ADDRESS | Nkhensani@presidency.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:

PRICING SCHEDULE
(Professional Services)

| | |
|------------------------|--------------------------------------|
| Name of bidder:..... | Bid number: PO2024/25:003 |
| Closing Time: 11:00 am | Closing date: 21 January 2025 |

OFFER TO BE VALID FOR **120** DAYS FROM THE CLOSING DATE OF BID.

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

All quotes must be VAT inclusive and bidding companies must provide an indication of how they will manage the billing process, to ensure that invoices are submitted timeously.

| No. | Services | QTY | Unit Pricing, excluding VAT | Unit Pricing, including VAT | Total Pricing Year 1 | Total Pricing Year 2 | Total Pricing Year 3 | Total Pricing Year 1-3 |
|-----|---|-----|-----------------------------|-----------------------------|----------------------|----------------------|----------------------|------------------------|
| 1. | Asset Verification | 1 | R | R | R | R | R | R |
| 2. | Reconciliation and updating of the Fixed Asset Register | 1 | R | R | R | R | R | R |
| 3. | Conduct Investigation on Asset | 1 | R | R | R | R | R | R |

| No. | Services | QTY | Unit Pricing, excluding VAT | Unit Pricing, including VAT | Total Pricing Year 1 | Total Pricing Year 2 | Total Pricing Year 3 | Total Pricing Year 1-3 |
|-------------|----------------------------------|-----|-----------------------------|-----------------------------|----------------------|----------------------|----------------------|------------------------|
| 4. | Asset Management software | 1 | R | R | R | R | R | R |
| 5. | Maintenance and onsite support | 1 | R | R | R | R | R | R |
| 6. | Prepare Asset Management reports | 1 | R | R | R | R | R | R |
| 7. | Training of the Presidency Team | 1 | R | R | R | R | R | R |
| 8. | Disbursement Costs | 1 | R | R | R | R | R | R |
| Sub Total | | | | | | | | |
| Vat @15% | | | | | | | | |
| Grand Total | | | | | | | | |

Any enquiries regarding bidding procedures may be directed to the –

Department: The Presidency

Contact Person: SCM Acquisition Office

E-mail address: tenders@presidency.gov.za

Or for technical information –

Contact person: Ms Nkhensani Muthobi

E-mail address: Nkhensani@presidency.gov.za

NB: All enquiries should be made at least 10 days before the closing date

SIGNATURE OF BIDDER:

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

DATE:

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 interest 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 |
|-----------|-----------------|---------------------------|
| | | |
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| | | |
| | | |
| | | |

2.2 Do you, or any person connected with the bidder, have a relationship 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 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 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 **To be completed by the organ of state**
(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 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.

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

The maximum points for this tender are allocated as follows:

| DISCRIPTION | POINTS |
|--|------------|
| PRICE | 80 |
| SPECIFIC GOALS | 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 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

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

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 or 90 points is allocated for price on the following basis:

80/20 or 90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

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

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

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

- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below. (Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|---|---|---|---|
| Women | | 10 | | |
| Youth | | 7 | | |
| Persons with Disabilities | | 3 | | |

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[Tick applicable box]

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

- i) The information furnished is true and correct.
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct ;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process.
- (b) recover costs, losses or damages it has incurred or suffered as a result of that

- person's conduct.
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

| | |
|---|-------|
| SIGNATURE(S) OF TENDERER(S) | |
| SURNAME AND NAME: | |
| DATE: | |
| ADDRESS: | |
| | |
| | |
| | |

TERMS OF REFERENCE



THE PRESIDENCY REPUBLIC OF SOUTH AFRICA SUPPLY CHAIN MANAGEMENT

APPOINTMENT OF A SERVICE PROVIDER TO PERFORM ASSETS VERIFICATION, PROVIDE THE FIXED ASSET REGISTER (FAR) IN AN APPLICATION SOFTWARE INCLUDING SUPPORT AND MAINTAINANCE FOR A PERIOD OF THREE (3) YEARS

1. PURPOSE

The purpose of the terms of reference is to request proposals from bidders to perform assets verification, generate a Fixed Asset Register in a form of an application software including support and maintenance for a period of three years.

2. BACKGROUND

- 2.1 The Presidency had approximately 17 000 movable assets recorded in the Fixed Asset Register (FAR) at the end of the 2023/24 financial year. The assets are located in various Presidency buildings in Cape Town, Pretoria and Durban.
- 2.2 The Presidency is mandated by Section 38 of the PFMA to ensure that proper control systems exist for asset control and that preventative measures are in place to eliminate theft, losses, wastage and misuse. Furthermore, control systems whether electronic or manual, should be put in place to ensure an effective, efficient, transparent, and economical use of the assets.
- 2.3 Currently The Presidency is using a manual method for capturing and verifying assets.

3. SCOPE OF WORK

- 3.1 The successful bidder will be required to offer the following services:
 - 3.1.1 Provide an Asset Management Program/Software that will assist in the management of assets. This must include amongst others the following:
 - i) Barcoding of new Assets and capture in the Fixed Asset Register (FAR) as prescribed by the National Treasury (Treasury Regulation 10.1 (issued in terms of Section 38(1)(d) of the PFMA).
 - ii) Migrating the Fixed Asset Register (FAR) data to the new Fixed Asset Register.
 - iii) Providing management reports, including reports to be used in compiling the Annual Financial Statements.
 - iv) Providing details on assets, which includes value, location, and life span.
 - v) Providing The Presidency with equipment or accessories such as scanners to be used to capture data in the Asset Management application software.
 - 3.1.2 Perform Asset Verification services at least once a year in order to confirm the existence of the assets and be able to prepare the report on the value of assets and their locations.
 - 3.1.3 Conduct investigations on unverified assets to establish their existence and provide reports on the value of the assets under investigation as well as assets found on a regular basis.

3.1.4 Reconciliation and updating the Fixed Asset Register (FAR), and this will include amongst others:

- i) Reconciling the asset verified and asset not found
- ii) Updating the Fixed Asset Register (FAR) with the results of the verification process.
 - The Fixed Asset Register (FAR) must have the following categories (functionalities/ attributes)
 - Computer Equipment
 - Office Furniture and Equipment
 - Transport Assets
 - Other Machinery and Equipment
- iii) Reconciling the movement of assets, which includes disposed assets as well as assets that have been moved to different locations/users.

4. DELIVERABLES

4.1 The following are the deliverables:

a) **Asset Verification**

Perform 100% verification of all movable assets using existing structures and data format in the Fixed Asset Register. The verification must include the following.

- i) physical verification of all classes of assets currently on the FAR
- ii) Identify barcoded assets not reflected on the Fixed Assets Register;
- iii) Identify assets that are not barcoded and not on the Fixed Assets Register.
- iv) Identify Assets which are damaged on the Fixed Assets Register
- v) Indicate assets on the Fixed Asset Register that could not be found.
- vi) Identify assets with duplicate asset numbers or barcode;
- vii) Identify assets that are not used.
- viii) The verification of assets must include the following:
 - Identifying the location of each asset(s) – Location details: Region, Building, Floor, Room number, Room Barcode, Room Type (Boardroom, Open Plan or Office)
 - Identifying the responsibility Centre Details – RC Code Directorate, Sub Directorate
 - Identifying Custodian Details – Custodian Name and Surname
 - Identifying the description Details – Asset Class, Asset Category, Full Detailed Description
 - Identifying the asset Condition: Condition of the asset at the time and what the Directorate's management plan to do with the asset.
 - Identifying the asset Serial number, specifically for equipment

b) **Reconciliation and updating of the Fixed Asset Register**

The successful Bidder is required to reconcile assets in the Fixed Asset Register as well as the verified assets. Discrepancies or differences arising from the verification must be discussed with The Presidency Asset Management Team. Reconciliation must include amongst others the following:

- i) Reconciling the asset verified and asset not found
- ii) Updating the Fixed Asset Register (FAR) with the results of the verification process.
- iii) Reconciling the movement of assets, which includes disposed assets as well as assets that have changed location.

c) Conduct Investigation on Asset not found

The successful bidder must investigate assets not found during the verification, and report on the progress of the investigation.

d) Provide Fixed Asset Register (FAR) in a form of application software as prescribed by the National Treasury Regulation 10.1 (issued in terms of Section 38(1)(d) of the PFMA

- i) Migrating Fixed Asset Register (FAR) data to the new Fixed Asset Register.
- ii) Providing various management reports including reports that will be used in compiling the Annual Financial Statements
- iii) Providing details on assets, which includes value, location, life span.
- iv) Providing The Presidency with equipment or accessories such as scanners that will be used to capture data into the Asset Management program/software.
- v) The service must include maintenance of the application software for a period of three years including applicable licences in accordance with a Service Level Agreement
- vi) The support and maintenance with include the following:
 - Monthly reconciliation
 - Disposal of assets
 - Movement of assets
 - Assets additions
 - Balancing the Asset Register to the General Ledger and.

vii) Maintenance and onsite support

- General assistance on all aspects of the operational Fixed Asset Register (FAR) system
- Installation of any new point and update of the application software.
- Installation and set up on any new machine that may require new software.
- Creation of any new report required by the user.

e) Other than the above-mentioned deliverable, during the verification of the assets, the successful Bidder is required to do the following:

- i) Immediately inform the Asset Management Team of any assets found without a barcode
- ii) Ensure that existing barcode numbers and serial numbers are captured (there should be no duplicate numbers in the final report).
- iii) Prepare inventory list of assets per office/room. Inventory list should be placed in the room where assets are located; the list must be visible and signed off by the end-user and the assets verifier.
- iv) Before the data of the verified assets is updated on the daily Fixed Asset Register (FAR), the following information is required per location for each asset.
 - Prepare reports on assets, which are broken, damaged, and not being used.
 - Evaluate and assign fair values on all owned assets. As part of the fair value practice provide documented proof for value provided
 - Perform data integrity checks before and after uploading the data and certify that all the data is checked for completeness and accuracy.
- v) Prior to uploading the final report on the Asset Management system, Service Provider together with The Presidency Director: SCM must review and sign the report which including.
 - Asset Verification plan, Asset Management Strategy and a plan on minimising audit findings and identified risks.

- vi) Certify that the methodology and approach complies with the minimum requirements for a complete asset register as prescribed by the National Treasury guidelines and relevant Accounting Standards.
- vii) Must provide necessary resources to perform the verification.
- viii) Assist in responding to audit findings related to Fixed Asset Register as well as physical verification of assets.

f) Training of staff

Provide training on the application software, verification process to The Presidency Team and skills transfer to The Presidency Team, manual document verification process and advise management on best practices.

5. REQUIREMENT FOR THE PROJECT

5.1 The service provider should have the following:

5.1.1. Experience and Qualifications required

- 5.1.2 The service provider needs to have proven experience in performing asset verification and providing Fixed Asset Register an application of Software.
- 5.1.3 The Project Manager must possess a minimum of a National Diploma in one of the following fields, Financial Management, Cost and Management Accounting, Financial Information Systems. Project Management experience with a minimum of five (5) years or more in asset management will be an added advantage.
- 5.1.4 Methodology: The service provider must be able to develop and implement project plan for asset management.

6. SPECIAL CONDITIONS OF PROJECT/CONTRACT

- i) The successful bidder will be required to sign a standard contract with The Presidency that will outline the terms and conditions of the contract.
- ii) Proposal must include cost breakdown in the pricing schedule.
- iii) The Presidency reserves the right either to award the bid in full or in part or not to award the bid.
- iv) The service provider will commence with the services upon signing of the service level agreement by all parties involved.
- v) In the event of changes in the project team, the service provider must provide the detailed CVs, proof of qualification for the new project team members. The new project team members will be subjected to the security clearance process prior to confirmation of involvement in the project.
- vi) The Presidency undertakes to pay out in full within thirty days (30) after, all valid claims for services rendered to its satisfaction upon presentation of a substantiated claim/invoice, according to the payment schedule agreed upon in the contract.
- vii) The appointed service provider will be expected to deploy a team to perform asset verification.
- viii) The Presidency may request clarification or additional information regarding any aspect of the bids that were submitted. Companies must respond to requests by The Presidency for additional information within Three (3) working days after the request has been made. Failure to comply may invalidate the potential service provider. The Presidency may also request the bidder to provide this information at a presentation to the Bid Evaluation Committee. Should this be necessary, The Presidency will inform bidding companies in advance.
- ix) Compatibility of assets management system that will be used for asset management
- x) Should the Bidder wish to design and develop an Application Software (inhouse), the developed software and its source code will become the property of The Presidency

7. SECURITY REQUIREMENTS

The Presidency will subject the successful bidder including their staff assigned to the project to security clearance. In the event that security clearance outcome is negative, the successful bidder(s) will be disqualified.

7.1. PRICING

7.1.1 Bidders must submit the price breakdown as, per SBD 3.3 of the tender document. The following information must be used to provide the cost of the contract:

- a) Conduct physical verification of all Presidency assets as contained in the Fixed Asset Register for all the regions:

| Location | Building | No of Verifiers | Project Leader | No of days in a year. |
|-----------|---|-----------------|------------------|-----------------------|
| Pretoria | Union Buildings and the Presidential Residences | 10 Verifiers | 1 Project Leader | 25 days in a year |
| Cape Town | Offices and Presidential Residences | 4 Verifiers | 1 Project Leader | 9 days in a year |
| Durban | Offices and Residence | 1 Verifier | 1 Project Leader | 2 Days in a year |

- b) Reconciliation and updating of the Fixed Asset Register (FAR)
c) Investigation of assets not found during the physical verification
d) Asset Management software
e) Provision of the Fixed Asset Register (FAR)
f) Support and Maintenance of the Fixed Asset Register as and when required.
g) Disbursements Costs for incidental costs such as flights, accommodation for official travelling
h) Training on Fixed Asset Register and Verification process.

8. DURATION OF CONTRACT

8.1 The successful Bidder will be appointed for period of three (3) years

9. MONITORING AND EVALUATION OF THE PROJECT

- 9.1. Quarterly meetings will be held with the appointed Bidders to review the performance of each party in the agreement as well as addressing problems in line with the Service Level Agreement.
- 9.2. The Bidder must appoint a Project Leader who will act as a liaison officer between itself and The Presidency. The Project Leader will manage the relationship between stakeholders and will act as a single point of contact on a regular basis.
- 9.3. The appointed Bidder will be expected to provide monthly reports on overall implementation of the contract and discuss such reports during the quarterly meetings.

10. LEGISLATION APPLICABLE TO THE BID

10.1 Bids will be subject to the Supply Chain Management conditions as follows:

- i) The Preferential Procurement Policy Framework Act, Act No. 05 of 2000
ii) Preferential Procurement Regulations, 2022

- iii) Public Finance Management Act
- iv) The Presidency Supply Chain Management Policy

11. SPECIAL CONDITIONS AND REQUIREMENTS OF THE BID

- a. Bidders are requested to submit means of verification for specific goals (women, youth and the person with disabilities, e.g. ID documents and verification from the CSD), failing which the points for specific goals claimed will be forfeited.
- b. A Service Level Agreement/contract shall be signed with the successful bidder.
- c. **Completed bid documents must be deposited in the bid/tender box, as indicated in par 17 below. Telegraphic, telefax, emails or late tenders/bids will not be accepted and will be disqualified.**
- d. **The pricing schedule must be attached as per items provided, marked PRICING SCHEDULE (SBD 3.3) within the bid document envelope.**
- e. **Bidders shall ONLY use a black ink for completion of Standard Bidding Documents (SBD) forms. Failure to do so may result in the submitted bid/proposal being disqualified.**
- f. All corrections made in the bid document must be initialled or signed off by the bidder to obviate unnecessary delays resulting from the need to require the bidder to give written confirmation before finalisation of evaluation.
- g. **Bidders shall submit:**
 - i. Original bid documents (mandatory),
 - ii. a hard copy of the original documents, and,
 - iii. one soft copy (digital / electronic) in a PDF format, in a suitable electronic medium, e.g. flash drive or portable hard drive etc. Failure to do so may result in the bid/proposal being disqualified. **The onus is on the bidder to ensure that the electronic PDF copies of the documents are indeed saved on the electronic device submitted. Failure to ensure all Five sets of documents as per i – iii above may result in the bid/proposal being disqualified/invalidated.**
- h. Only bidders who met the criteria on stage 1 of Phase 2 will be invited for a presentation

12. EVALUATION PROCESS

A three (3)-phase approach will be followed during the evaluation phase. All proposals received will be evaluated in accordance with the **80/20-point** system as prescribed in the Preferential Procurement Regulation, 2022.

12.1. FIRST PHASE: MANDATORY AND ADMINISTRATIVE COMPLIANCE -

- i) During this phase, screening will be conducted to ensure compliance with the mandatory submission of documents as listed below. **Bidders who have not complied with the mandatory submission of ALL the documents shall be excluded at this stage of the**

evaluation and will not be considered in the next phase.

- ii) Note that all the required documentation must be signed by a duly authorised representative, where a signature is required.

a) MANDATORY DOCUMENTATION

- i) Completed and signed Invitation to bid document (SBD 1)
- ii) Completed and signed Price Schedule (VAT and all other applicable costs inclusive): SBD 3.3: professional services.

b) ADMINISTRATIVE COMPLIANCE

- i) Completed and signed Bidders' disclosure form (SBD 4)
- ii) Completed and Signed Preference points claim form (SBD 6.1)
- iii) Names and certified ID copies of employees to be assigned to this project. Assigned employees may be subjected to a security screening, where applicable as per specification.
- iv) Certified ID copies of owner(s) Owners may be subjected to a security screening, where applicable as per specification.
- v) Copy of Bidder's company registration document with CIPC.
- vi) SARS Tax pin of the Bidder.
- vii) Copy of proof of registration with CSD.

Only bidders who have met mandatory requirements will be considered for the next phase.

12.2. SECOND PHASE: FUNCTIONAL/TECHNICAL EVALUATION AND PRESENTATION

a) STAGE 1: FUNCTIONAL/TECHNICAL EVALUATION

Only proposals that met the criteria set for mandatory requirement phase will qualify for this phase. During this Phase, the ability of the bidder to execute the project will be evaluated.

| CRITERIA | WEIGHT |
|---|---------------|
| <p>Bidder's experience</p> <p>The Bidder must have proven experience in performing asset verification and providing Fixed Asset Register in a form of an application Software either inhouse designed and development or off the shelf software. Attach original of The Presidency returnable project reference form (Annexure A) signed, dated, stamped, with contact person and contact number</p> <p>0-4 years' experience = 0 point</p> <p>5-7 years' experience = 15 points</p> <p>8 and more years' experience=20 points</p> | 20 |

| | |
|--|-----------|
| <p>Project manager's experience</p> <p>The Project Manager must demonstrate experience, knowledge and skills in managing asset management projects, CV must be attached.</p> <p>0-4 years' experience = 0 point</p> <p>5-7 years' experience = 15 points</p> <p>8 and more years' experience = 25 points</p> | 20 |
| <p>Project Manager Qualification</p> <p>The Project Manager must possess a minimum of National Diploma (NQF level 6) in either of the following fields:</p> <ul style="list-style-type: none"> • Financial Management • Cost and Management Accounting • Financial Information Systems <p>No Qualifications = 0 Point</p> <p>National Diploma (NQF level 6) = 5 Points</p> <p>Bachelor's Degree (NQF level 7) = 10 Points</p> <p>Honour's Degree NQF level 8) = 15 Points</p> | 15 |
| <p>The bidder must develop and implement a project plan for facilitation of asset management in accordance of scope of work.</p> <p>General Project plan or no project plan developed = 0 points</p> <p>Project plan which shows understanding of scope of work without clear steps demonstrating on how asset management should be performed = 15 points</p> <p>Project plan which shows understanding of scope of work clear steps demonstrating on how asset management should be performed = 20 points</p> <p>Detailed Project plan relating to the scope of work including deliverables and activities, resources usage, clearly defined timelines, and defining the risk plans = 25</p> | 25 |
| <p>Sub Total</p> | 80 |

Only bidders who meet the minimum threshold of 50 points or more out of 80 will qualify for Stage 2

b) STAGE 2 - PRESENTATION

Only proposals that scored at least 50 points and above will be considered for this phase of the evaluation. Bidders will be invited to present to the Bid Evaluation Committee their ability to execute the project. During the presentation, Bidders are required to demonstrate the functionality of the Fixed Asset Register:

| Criteria | Weights |
|--|------------|
| <p>The Bidder must demonstrate how the application system software will work as per scope of work and deliverables:</p> <p>Demonstration of application on how the Application System software will work as per scope of work and deliverables = 20 points</p> <p>Demonstration of the application software which shows only scope of work or deliverables = 10 point</p> <p>Demonstration which does not show any of the above = 0 points</p> | 20 |
| Sub Total | 20 |
| Grand Total | 100 |

Only bidders who meet the minimum threshold of 10 points or more out of 20 will qualify for third phase

12.3 THIRD PHASE: PRICE AND SPECIFIC GOALS

The bid will be awarded to the bidder who scored the highest points in terms of price and specific goals.

In accordance with the PPPFA, the submission will be adjudicated on the 80/20 points system. Price will make up the total of 80 points, and specific goals will be allocated the remaining 20 points. The evaluation criterion for this phase is as set below:

| Criteria applicable | Weight |
|---------------------|------------|
| Price | 80 |
| Specific goals | 20 |
| Total | 100 |

For the purpose of this tender, bidders will be evaluated on pricing as per plan/template provided. (define the pricing method to be used (schedule/plan/template)).

As an example, the points for Specific Goals could be distributed as follows: (depending on the specific bid):

| Specific goals | Means of Verification | Points |
|---------------------------|---|--------|
| Women | ID docs + CSD verification | 10 |
| Youth | ID docs + CSD verification | 7 |
| Persons with Disabilities | Confirmation letter + CSD verification | 3 |

Bidders are requested to submit means of verification for specific goals (women, youth and the person with disabilities, e.g. ID documents and verification from the CSD), failing which the points for specific goals claimed will be forfeited.

13. CONFIDENTIALITY

No communication will be undertaken with any bidder until the winning bidder has been informed of the winning bid. Information relating to the evaluation of proposals and recommendations concerning an award shall not be disclosed to neither the bidder who submitted the proposals nor to other persons not officially involved or concerned with the process¹.

The Presidency necessarily operates under the conditions of the PAIA provisions. No material or information derived from the procurement and provision of the service under this contract may be used for any purposes other than those of The Presidency, except where authorised in writing to do so.

14. ACCEPTANCE OF THE SPECIAL CONDITIONS AND GENERAL CONDITIONS OF CONTRACT

THE BIDDER MUST COMPLETE BELOW.

I _____ in my capacity as the duly authorised representative of the bidder, hereby certify that I take note and accept the above-mentioned Special Conditions of the Contract.

SIGNATURE.....

CAPACITY.....

Alternative Name and Contact details of service provider (optional): _____

15. DISCLAIMER

The Presidency reserves the right not to award the tender. Any work produced by the service provider will be the property of The Presidency and should not be shared with any third party, unless authorised by The Presidency.

16. BRIEFING SESSION

No briefing session will be conducted

17. SUBMISSION OF PROPOSALS

Completed bid documents should be sealed, clearly marked as follows:

The Presidency

Bid Number: PO: 2024/25:003

Completed bid documents must be deposited in the official bid/tender box of The Presidency located at the public entrance of the Union Buildings on Government Avenue, Pretoria on or before

21 January 2025 @11:00am

Bidders must ensure that they have received all pages of this document.

Bid Enquiries:

1. Tenders@presidency.gov.za

Technical Enquiries:

Nkhensani@presidency.gov.za

NB: All enquiries should be made at least 10 days before the closing date



**THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA**

RETURNABLE PROJECT REFERENCE FORM

| | |
|----------------------|---|
| Project Description: | APPOINTMENT OF A SERVICE PROVIDER TO PERFORM ASSETS VERIFICATION, PROVIDE THE FIXED ASSET REGISTER (FAR) IN AN APPLICATION SOFTWARE INCLUDING SUPPORT AND MAINTAINANCE FOR A PERIOD OF THREE (3) YEARS |
| Bid No: | PO 2024/25:003 |

Note: This returnable document must be completed by the referee to whom services of similar nature, scope, complexity and value was completed successfully by the bidder.

I (Name, Surname & Designation Preferably contract Manager)

From(Company Name)

Declare that the company was the recipient (client) of the following professional services (project name) successfully executed by

.....(Name of bidder)

Project Description:

Project Location:

Commencement Date (DD/MM/YY) :.....Completion Date (DD/MM/YY):.....

Contract Value:

A. Please score the service performance of the Bidder on the above mentioned project, by inserting “Yes” in the relevant box below:

| Category | Very poor | Poor | Fair | Good | Excellent |
|--|-----------|------|------|------|-----------|
| Experience of the team deployed on the project | | | | | |
| Quality of work | | | | | |
| Quality of reports | | | | | |
| Overall service performance | | | | | |

B. Would you consider/recommend working with this bidder in future.

| Yes | No | Reason |
|-----|----|--------|
| | | |

C Would you recommend this bidder to offer the same services to The Presidency

| Yes | No | Reason |
|-----|----|--------|
| | | |

.....
Signature (Company Head or Delegated officer)
Company dated stamp

.....
Name of Signatory

Contact Numbers:.....

GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010
24

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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1. Definitions

The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of Bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public 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 organisation 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, SCC are also laid down to cover specific supplies, services or works.
- 2.3 Where such SCC 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 organisation 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 fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in rand unless otherwise stipulated in SCC.

17 Prices

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

18 Contract amendments

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

19 Assignment

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

20 Subcontracts

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

21 Delays in the 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 cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22 Penalties

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

23 Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 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:
- (a) the name and address of the supplier and / or person restricted by the purchaser;
 - (b) the date of commencement of the restriction
 - (c) the period of restriction; and
 - (d) the reasons for the restriction.
- 23.7 These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.8 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 wilful 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 (NIP) Programme

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.

General Conditions of Contract (revised July 2010)
