



BID NO: SCMU5-20/21-0089

REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES.

BIDDER :

CSD REGISTRATION :

CLOSING DATE : 21 JANUARY 2021

CLOSING TIME : 11H00

ENQUIRIES:

Supply Chain Management
Eastern Cape Department of Public Works and Infrastructure
Qhasana Building
Private Bag X 0022
BISHO
5605

SCM SPECIFIC ENQUIRIES

Enquires: Mr. Z. Billie
Email Address: zamuxolo.billie@ecdpw.gov.za
Tel No: 040 602 4563 /4000 / 082 885 3425

TECHNICAL /PROJECT SPECIFIC ENQUIRIES

Enquires: Mr H B Simon
Email Address: hewitt.simon@ecdpw.gov.za
Cell No: 082 781-6468

Fraud, Complaints & Tender Abuse Hotline
0800 701 701 (toll free number)

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF PUBLIC WORK & INFRASTRUCTURE					
BID NUMBER:	SCMU5-20/21-0089	CLOSING DATE:	21 JANUARY 2021	CLOSING TIME:	11H00
DESCRIPTION	REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE, INDEPENDENCE AVENUE, GROUND FLOOR, QHASANA BUILDING, BISHO					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. Z. Billie		CONTACT PERSON	Mr H B Simon	
TELEPHONE NUMBER	040 602 4563 /082 885 3425		TELEPHONE NUMBER	082 781-6468	
FACSIMILE NUMBER			FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	zamuxolo.billie@ecdpc.gov.za		E-MAIL ADDRESS	Hewitt.simon@ecdpc.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
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
<p>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>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.</p>					

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

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

For ease of reference, Bidders shall enter their Price in the space provided below:

ITEM NO.	SERVICE REQUIRED	TOTAL (amount in figures)	TOTAL (amount in words)
1.	TOTAL RENTAL PER MONTH OVER 99 YEAR LEASE PERIOD OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE.	R..... (Carried over from page 31) (Carried over from page 31)

- **The total amount for the 99 year lease should include escalation of 6% per annum. The escalation in the rental will be reviewed and adjusted from time to time over the lease period in terms of reviewed Treasury Regulations and the Consumer Price Index (CPI) at the Departments discretion.**

- (1) If the Bid Sum (amount in words) differ from the Bid Sum (amount in figures), the Bid Sum (amount in words) will govern.
- (2) Failure to complete the Bid Sum (amount in words) will automatically invalidate the offer submitted.
- (3) Failure to sign this bid automatically invalidated the bid.

SIGNATURE OF BIDDER:

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

DATE:



BID NO: SCMU5-20/21-0089

**REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL),
EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES.**

Bidders are hereby invited to submit bids for the above indicated project.

Tender documents are downloadable for free of charge from National Treasury's eTender Portal: (<http://www.etenders.gov.za/content/advertised-tenders>) or from the Department of Public Works and Infrastructure website (www.ecdpw.gov.za/tenders) from of **04 September 2020**. Due to COVID-19 regulations documents will not be available at departmental offices.

A Compulsory Pre-tender Briefing meeting/s with bidders and Department of Public Works & Infrastructure personnel will take place at the **Bhisho Contact Centre, adjacent to Bhisho Memorial Massacre Monument, BISHO** on **Thursday, 01 October 2020 starting at 11h00**. Due to Covid-19 restrictions, the compulsory Pre-Tender Briefing may be held in groups. Prospective Tenderers are to meet at the main entrance gate of the complex. Bidders must ensure that they have face masks all the time during this compulsory Pre-tender Briefing meeting. Covid-19 Restrictions are to be adhered to at all times.

If the number of Bidders at the Pre-Tender Briefing meeting exceed the permissible number as per Covid-19 safety restrictions, Pre-Tender Briefings will be held in groups.

Completed bid documents in a sealed envelope endorsed with the relevant bid number, bid description and the closing, must be deposited in the bid box not later than **11h00** on the **21 JANUARY 2021** when bids will be opened in public.

Physical Address of Bid Box: Department of Public Works and Infrastructure, Qhasana Building, Ground Floor, BISHO

Bidders must ensure that bids submitted via courier services are deposited by the courier service in the Departmental bid box prior to the closing date and that it is not delivered to Departmental officials. The Department will not accept responsibility if bids received by officials are not timely deposited in the Bid Box. Due to Covid-19 safety regulations, no prospective bidders will be allowed at the opening of the tender box; register will be published on the departmental website (www.ecdpw.gov.za/tenders)

A. This quotation will be evaluated in three (3) stages

Phase One : Bidders will be evaluated for functionality

Phase Two : Bidders passing stage 1 above will thereafter be evaluated for administrative compliance

Phase Three: **PPPFA and its regulations will only be applicable as listed below:**

(i) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations of 2017 will be applicable for the B-BBEE Status Level of Contributor.

(ii) The bid offering in form of the highest rental income for the leasing of the subject property will be considered if the bid complies with all the previous phases of the evaluation stages.

B. BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

1. The minimum specifications, bid evaluation criteria and other special conditions of bid and rules are detailed in the bid document.

C. ENQUIRIES WITH REGARD TO THIS ADVERT MAY BE DIRECTED TO

SCM SPECIFIC ENQUIRIES Enquires: Mr. Z. Billie Email Address: zamuxolo.billie@ecdpw.gov.za Tel No: 040 602 4563 /4000 / 082 885 3425 .	TECHNICAL /PROJECT SPECIFIC ENQUIRIES Enquires: Mr H B Simon Email Address: hewitt.simon@ecdpw.gov.za Cell No: 082 781-6468 Please note that any query should be directed to the above email. Telephone calls for queries is hereby discouraged.
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T1.2 Tender Data

The conditions of tender are the latest edition of SANS 10845-3, *Standard conditions of tender*.

SANS 10845-3 makes several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the provisions of SANS 10845-3 and as contained in **Annexure C of Standard for Uniformity in Construction Procurement (Board Notice 423 of 2009 Government Gazette No 42622 of OCTOBER 2019)**,

Each item of data given below is cross-referenced to the clause in SANS 10845-3 to which it mainly applies.

Clause number	Tender Data
3.1	The Employer is Public works & Infrastructure
3.2	The tender documents issued by the employer comprise the following documents: THE TENDER Part T1: Tendering procedures T1.1 - Tender notice and invitation to tender T1.2 - Tender data Part T2: Returnable documents T2.1 - List of returnable documents T2.2 - Returnable schedules THE CONTRACT Part C1: Agreements and Contract data C1.1 - Form of offer and acceptance C1.2 - Contract data Part C2: Pricing data C2.1 - Pricing assumptions C2.2 - Pricing schedule Part C3: Scope of work C3 - Scope of work Part C4: Site information C4 - Site information
3.2	The tender documents issued by the employer comprise the documents listed on the contents page
3.4	The employer's agent is: Name: Mr H B Simon Qhasana Building, Department of Public Works and Infrastructure Independence Avenue, BISHO Tel: 082 781-6468 E-mail: hewitt.simon@ecdpw.gov.za

3.4	The language for communications is English
3.5	A Three (3) Stage procurement procedure shall be applied.
4	Tender's obligations
4.1	Only those tenderers who satisfy the following eligibility criteria and who provide the required evidence in their tender submissions are eligible to submit tenders and have their tenders evaluated: <ul style="list-style-type: none"> • Tax matters are in order. • Directors or company is not in the Treasury's database of restricted suppliers
4.3	It is the responsibility of the tenderer to check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.
4.4	Confidentiality and copyright of documents Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.
4.5	Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are incorporated into the tender documents by reference.
4.6	Acknowledge receipt of addenda to the tender documents, which the employer may issue, and, if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.
4.8	Seek clarification <i>Request clarification of the tender documents, will close on 10 December 2020.</i>
4.10	Tenderers are required to state the rates and currencies in Rands. Include in the rates, prices, and the tendered total of the prices (if any), all duties, taxes which the law requires to be paid [except value added tax (VAT)], and other levies payable by the successful tenderer, that are applicable 14 days before the closing time stated in the tender data. Show the VAT payable by the employer separately as an addition to the tendered total of the prices. Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data. State the rates and prices in monetary value of the contract unless otherwise instructed in the tender data.
4.10(a)	If after the commencement of the Contract, the cost or duration of the services is altered as a result of changes in, the amount of the main contractor or contract amount from which fee account/estimate were based, or amounts or additions to, any statute, regulation or by-laws, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 90 days of first having become aware of the change, the Service Provider or Project Manager furnished the Employer with detailed justification to the Price or Period of the Performance (or both).

If after the commencement of the Contract, the cost or duration of the services is altered as a result of changes in, the amount of the main contractor or contract amount from which fee account/estimate were based, or amounts or additions to, any statute, regulation or by-laws, or the requirements of any authority having jurisdiction over any matter in respect of the Project, then the Contract Price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 90 days of first having become aware of the change, the Service Provider or Project Manager furnished the Employer with detailed justification to the Price or Period of the Performance (or both).

Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer or to correct errors made by the tenderer and ensure that all signatories to the tender offer initial all such alterations.

Do not make erasures using masking fluid.

Main tender offers are not required to be submitted together with alternative tenders.

No alternative tender offers will be considered

Parts of each tender offer communicated on paper shall be submitted as an original.

Submit

- a) the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with a translation of any documentation in a language other than the language of communication established in 3.4, and
- b) the parts communicated electronically by the employer of its agents on paper format with the tender.

Sign the original and all copies of the tender offer where required in terms of the tender data.

State in the case of a joint venture which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

NOTE The employer holds all authorized signatories liable on behalf of the tenderer.

A tender security in the amount of **N/A** is required and shall remain valid for a period not exceeding **N/A** days after the closing date for tender offers.

The form of the tender security shall not differ substantially from the sample provided in Annex D of SANS 10845-3.

The employer's details and address for delivery of tender offers and identification details that are to be shown on each tender offer package are:

Location of tender box: Department of Public Works and Infrastructure & Infrastructure, Front Corner of Qhasana Building on the way to CIDB offices Labelled "Tenders", BISHO.

Physical address: Independence Avenue, Ground Floor, Qhasana Building, BISHO 5605

Identification details: "SCMU5-20/21-0089: REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES."

Closing date: 21 JANUARY 2021, Time: 11:00 am.

The tenderer is required to submit with his tender the following certificates:

- 1) a copy of the CSD report showing, amongst other things, that tax matters of the service provider are in order with the South African Revenue Services.
- 2) Valid certified Professional Registration certificates (if applicable)

A two-envelope procedure will not be required.

Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted. The tenderer accepts that the employer does not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender. Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Proof of posting shall not be accepted as proof of delivery. Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of the standard conditions of tender in this part of SANS 10845 apply equally to the extended deadline.

The tender offer validity period is until award. Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data. If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period, with or without any conditions attached to such extension. Extend the period of the tender security, if any, to cover any agreed extension requested by the employer.

Placing of contractors under restrictions / withdrawal of tenders

If any tenderer who has submitted a tender offer or a contractor who has concluded a contract has, as relevant: withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions; after having been notified of the acceptance of his tender, failed or refused to commence the contract; had their contract terminated for reasons within their control without reasonable cause; offered, promised or given a bribe in relation to the obtaining or the execution of such contract; acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards the Provincial Government; or, made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of the Provincial Government that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements, such tenderer/s may be placed under restriction from tendering with the state.

Procedures are outlined in the EC SCM Policy for Infrastructure procurement and Delivery Management and also on **cidb** Inform Practice Note #30. Excerpts of the policy can be availed on request of any interested tenderer.

Access shall be provided for the following inspections, tests and analysis: As per request

The preferred tenderer will be required to submit an approved insurer undertaking to provide the Professional Indemnity Policy standard as per DPWI policy

Employer's undertakings

The Employer will respond to requests for clarification received up till the 10 December 2020 before the tender closing time.

If, as a result of the issuing of addenda, it is necessary to extend the closing time stated in the tender data, grant such extension and notify all respondents accordingly.

The employer shall issue addenda until the 10 December 2020 before tender closing time.

Tenders will be opened immediately after the closing time for tenders at **11:00am hours**.

5.6	Do not disclose to tenderers, or to any person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.
5.8	<p>Determine, after opening and before detailed evaluation, whether each tender offer that was properly received</p> <p>a) complies with the requirements of the standard conditions of tender in this part of SANS 10845, b) has been properly and fully completed and signed, and c) is responsive to the other requirements of the tender documents.</p> <p>A responsive tender is one that conforms to all the terms, conditions, and scope of work of the tender documents, without material deviation or qualification. A material deviation or qualification is one which, in the employer's opinion, would</p> <p>d) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the scope of work, e) significantly change the employer's or the tenderer's risks and responsibilities under the contract, or f) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.</p> <p>Reject a non-responsive tender offer, and do not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.</p>

5.9	<p>Arithmetical errors, omission and discrepancies</p> <p>Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.</p> <p>For Vat related discrepancies, National and Provincial Treasury prescripts in relation to VAT procedures apply.</p>																
5.11.1	<p>The financial offer will be reduced to a comparative basis using the Tender Assessment Schedule.</p> <p>Table F.1: Formulae for calculating the value of A</p> <table><tr><th>Formula</th><th>Comparison aimed at achieving</th><th>Option 1^a</th><th>Option 2^a</th></tr><tr><td>1</td><td>Highest price or discount</td><td>$A = \left(1 + \frac{(P - P_m)}{P_m} \right)$</td><td>$A = P / P_m$</td></tr><tr><td>2</td><td>Lowest price or percentage commission / fee</td><td>$A = \left(1 - \frac{(P - P_m)}{P_m} \right)$</td><td>$A = P_m / P$</td></tr><tr><td>a</td><td colspan="3">P_m is the comparative offer of the most favourable comparative offer. P is the comparative offer of the tender offer under consideration.</td></tr></table>	Formula	Comparison aimed at achieving	Option 1 ^a	Option 2 ^a	1	Highest price or discount	$A = \left(1 + \frac{(P - P_m)}{P_m} \right)$	$A = P / P_m$	2	Lowest price or percentage commission / fee	$A = \left(1 - \frac{(P - P_m)}{P_m} \right)$	$A = P_m / P$	a	P_m is the comparative offer of the most favourable comparative offer. P is the comparative offer of the tender offer under consideration.		
Formula	Comparison aimed at achieving	Option 1 ^a	Option 2 ^a														
1	Highest price or discount	$A = \left(1 + \frac{(P - P_m)}{P_m} \right)$	$A = P / P_m$														
2	Lowest price or percentage commission / fee	$A = \left(1 - \frac{(P - P_m)}{P_m} \right)$	$A = P_m / P$														
a	P_m is the comparative offer of the most favourable comparative offer. P is the comparative offer of the tender offer under consideration.																

PPPFA and its regulations will only be applicable as listed below:

- (i) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations of 2017 will only be applicable for the B-BBEE Status Level of Contributor.**
- (ii) The bid offering in form of the highest rental income for the leasing of the subject property will be considered if the bid complies with all the previous phases of the evaluation stages.**

1. STAGE ONE: RESPONSIVENESS TO THE BID REQUIREMENTS AND RULES

- A. Bidders' proposals must meet the following minimum requirements and supporting documents must be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. Failure to comply will automatically eliminate the bid for further consideration:

Bid Document (This Document must be submitted in its original format)

1. Bidders must submit a minimum of three (3) written contactable references for projects of a similar successfully completed in the **past** (clearly indicating client name, contract value, contract
2. The tenderer must submit a comprehensive CV's of the professional team, attached valid certified copies of Professional Registration certificate as well as certified copies of their qualifications. The verification of professional registration status will also be verified with the various professional bodies/councils online.
3. The Project Concept Document must cover the four development features e.g. Hotel and/or Hotel School, Conference Centre, Nine (9) hole Golf Course and Upper Income Residential Units. If not included, the bid becomes non-responsive.
4. A letter of support from a registered financial institution must be submitted by the bidder. If not included, the bid becomes non-responsive.
5. Bidders must be a legal entity or partnership or consortia.
6. Form of offer and Acceptance (fully completed and signed)
7. SBD 4- Declaration of Interest (fully completed and signed)
8. SBD 8- Declaration of Bidder's past Supply Chain Management Practices. (Completed and signed)
9. SBD 9- Certificate of Independent Bid Determination. (Completed and signed)
10. Compulsory Enterprise Questionnaire (Completed and signed)
11. If the offer (any of the items quoted for) is "Vat Inclusive", the VAT registration number of service provider must be indicated. Bidders are not entitled to claim the VAT if they are not VAT registered.
12. Declaration: Validity of Information Provided
13. Resolution to Sign (if applicable)
14. Declaration of Employees of the State or other State Institutions.
15. Only one offer per item per bidder is allowed and alternative offers will not be considered. If more than one offer per item is received, none of the offers will be considered.
16. Breakdown of rental calculations for the lease period

B. Other Conditions of bid

1. The bidder must be registered on the Central Supplier Database (CSD) prior the award.
2. All bidders' tax matters must be in order prior award. Bidders' tax matters will be verified through CSD.
3. A valid original or certified copy of B-BBEE certificate must be submitted with the bid OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths prepared and issued in terms of the amended B-BBEE Construction Sector Codes (CSC000) must be submitted in order to qualify for preference points for B-BBEE. In case of EMEs/QSEs submitting separate Sworn Affidavits, the EME or QSE with the lowest B-BBEE contributor will be used for purposes of calculating points. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE.
4. Failure to comply, will automatically results in the non-awarding of points for B-BBEE.
5. The Department will contract with the successful bidder by signing a formal contract.
6. This tender will be awarded as a whole. All trades listed in the Bills of Quantities or Pricing schedule must be priced for (except provisional sums and allowances which must also be added to the total), failure to do so will increase commercial risk of the bid and may lead to elimination or passing over of the bidder.
7. Returnable Schedule: SBD 1-Invitation to bid must be completed and signed
8. Returnable Documents: Company Detail
9. Returnable Documents: Company Composition
10. Details of Tenders nearest office

5.17	The number of paper copies of the signed contract to be provided by the employer is 1.
	<p>The additional conditions of tender are:</p> <ul style="list-style-type: none"> • •
T.2.1	List of returnable documents
1	<p>Documentation to demonstrate eligibility to have tenders evaluated i.e. List all documentation to demonstrate eligibility to have a submission evaluated.</p> <ul style="list-style-type: none"> • Appropriate Professional Registration category suitable for the works (as stated in 4.1). • The Attach a list of past projects (stating the name, amount, client name, project manager, duration, completion date) – reachable references.
2	<p>Returnable Schedules required for tender evaluation purposes</p> <p>The tenderer must fully and appropriately complete and sign the following returnable schedules as relevant:</p> <ul style="list-style-type: none"> • Record of Addenda to Tender Documents • Proposed amendments and qualifications • Compulsory Enterprise Questionnaire • SBD 1, 4, 8, 9, SBD 6.1 and Compulsory Declarations forms • Form of Offer and Acceptance • Final Summary of Bills of Quantities or a complete Pricing Schedule
3	<p>Other documents required for tender evaluation purposes</p> <p>The tenderer must provide the following returnable documents:</p> <ul style="list-style-type: none"> • And original or certified copy of a valid B-BBEE Verification certificate from a verification agency accredited by SANAS and recognized as an Accredited B-BBEE Verification Agencies (see www.sanas.co.za/directory/bbee_default.php) if preference points are claimed in respect of Broad-Based Black Economic Empowerment. A tenderer which is a EME or QSE can submit a duly signed a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths. • In case of EMEs/QSEs submitting separate Sworn Affidavits, the EME or QSE with the lowest B-BBEE contributor will be used for purposes of calculating points. Failure to comply with this, will automatically results in the non-awarding of points for B-BBEE. • A CSD Report with valid and correct information.
4	<p>Returnable Schedules that will be used for tender evaluation purposes and be incorporated into the contract</p> <p>The tenderer must complete the following returnable documents:</p> <ul style="list-style-type: none"> • A duly completed form of Offer and Acceptance (and any revision of prices if there are any).

5	<p>Only authorized signatories may sign the original and all copies of the tender offer where required. In the case of a ONE-PERSON CONCERN submitting a tender, this shall be clearly stated.</p> <p>In the case of a COMPANY submitting a tender, include a copy of a <u>resolution by its board of directors</u> authorizing a director or other official of the company to sign the documents on behalf of the company.</p> <p>In the case of a CLOSE CORPORATION (CC) submitting a tender, include a copy of a <u>resolution by its members</u> authorizing a member or other official of the corporation to sign the documents on each member's behalf.</p> <p>In the case of a PARTNERSHIP submitting a tender, <u>all the partners</u> shall sign the documents, unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which case <u>proof of such authorization</u> shall be included in the Tender.</p> <p><u>Accept that failure to submit proof of authorization to sign the tender shall result in the tender offer being regarded as non-responsive.</u></p>
6	<p>Information and data to be completed in all respects</p> <p>Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as nonresponsive.</p>
7	<p>Canvassing and obtaining of additional information by tenderers</p> <p>The Tenderer shall not make any attempt either directly or indirectly to canvass any of the Employer's officials or the Employer's agent in respect of his tender, after the opening of the tenders but prior to the Employer arriving at a decision thereon.</p> <p>The Tenderer shall not make any attempt to obtain particulars of any relevant information, other than that disclosed at the opening of tenders.</p>
8	<p>Prohibitions on awards to persons in service of the state</p> <p>The Employer is prohibited to award a tender to a person -</p> <ol style="list-style-type: none"> who is in the service of the state; or if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or a person who is an advisor or consultant contracted with the Department or municipal entity. <p>In the service of the state means to be -</p> <ol style="list-style-type: none"> a member of:- <ol style="list-style-type: none"> any municipal council; any provincial legislature; or the National Assembly or the National Council of Provinces; a member of the board of directors of any municipal entity; an official of any Department or municipal entity; an employee of any national or provincial department; provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999); a member of the accounting authority of any national or provincial public entity; or an employee of Parliament or a provincial legislature. <p>In order to give effect to the above, the questionnaire for the declaration of interests in the tender of persons in service of state in part T2 of this procurement document must be completed.</p>

9	<p>Awards to close family members of persons in the service of the state</p> <p>Accept that the notes to the Employer's annual financial statements must disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state (defined in clause 8 above), or has been in the service of the state in the previous twelve months, including - a) the name of that person;</p> <p>b) the capacity in which that person is in the service of the state; and</p> <p>c) the amount of the award.</p> <p>In order to give effect to the above, the questionnaire for the declaration of interests in the tender of persons in service of state in part T2 of this procurement document must be completed.</p>
10	<p>Response to requests from the tenderer</p> <p>The employer will respond to requests for clarification up to 10 December 2020.</p>
11	<p>Opening of tender submissions</p> <p>Tenders will be opened immediately after the closing time for tenders.</p>
12	<p>Scoring quality / functionality</p> <p>N/A</p>
13	<p>Cancellation and re-invitation of tenders</p> <p>An organ of state may, prior to the award of the tender, cancel the tender if-</p> <p>(a) due to changed circumstances, there is no longer a need for the services, works or goods requested; or</p> <p>(b) funds are no longer available to cover the total envisaged expenditure; or</p> <p>(c) no acceptable tenders are received.</p> <p>(d) Tender validity period has expired.</p> <p>(e) Gross irregularities in the tender processes or documents.</p> <p>(f) No market related offer received (after attempts of negotiation processes)</p> <p>Where applicable, the decision to cancel the tender will be published in the CIDB website and in the Tender Bulletin or the media in which the original tender invitation as advertised.</p>
14	<p>Where the employer terminates the contract due to default of the contractor in whole or in part, the employer may decide to: a) Refer the breach in contract to the cidb for investigation as a breach of the cidb Code of Conduct in terms of the cidb Regulations; or b) may impose a restriction penalty on the contractor in terms of Section 14 of the Preferential Procurement Regulations. The outcomes of such investigations in terms of both the cidb Regulations and the Preferential Procurement Regulations may prohibit the contractor from doing business with the public sector for a period not exceeding 10 years.</p>

T2.1 List of Returnable Documents

The tenderer must complete the following returnable documents:

1 Returnable **Schedules required for quotation evaluation purposes**

- Compulsory enterprise questionnaire
- Record of addenda issued (Only if addenda is issued)

2 Other **documents required for quotation evaluation purposes**

- Form of Offer and Acceptance
- Final Summary (Bills of Quantities/Pricing Schedule)

3 **Returnable Schedules that will be incorporated into the contract**

- Details of the Project Team and CV with Qualifications & Proof of Registration completed for each individual of proposed
- Record of projects: current, past and on tender.
- Project References – at least 3
- SBD 1, 4, 6.1, 8 and 9
- Certified copy of B-BBEE Status Level Verification certificate OR a valid original or certified copy of a Sworn Affidavit attested by a Commissioner of Oaths(**Annexure B**)

SPECIAL CONDITIONS OF BID

1. INTERPRETATION

The word "Bidder" in these conditions shall mean and include any firm of Contractors or any company or body incorporated or unincorporated.

The word "Department" in these conditions shall mean **the EASTERN CAPE DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE.**

For the purpose of this Price Quotation, the word "bid" is used interchangeable with the word "price quotation, and referring to "price quotation".

2. EXTENT OF BID

This contract is for the **REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES.**

3. CONTRACT TO BE BINDING

The formal acceptance of this Bid by the Department will constitute a contract binding on both parties, and the Department may require sureties to its satisfaction from the contractor, for the due fulfilment of this contract.

4. MODE OF BID

All Bids shall be completed and signed: All forms, annexures, addendums and specifications shall be signed and returned with the Bid document as a whole. ***The lowest or any bid will not necessarily be accepted.***

The Department wishes to deal on a prime contractual basis with the successful Bidder being responsible and accountable for all aspects of the entire solution or service offered.

5. QUALITY

Should the specifications and / or descriptions not address any aspects of quality as specified, this should be clarified with the Department prior to the submission of a Bid.

6. INSURANCE CLAIMS, ETC.

The Department shall not be liable in any manner in respect of any claims, damages, accidents and injuries to persons, property or rights or any other courses of civil or criminal action that may arise from the carrying out of this contract.

The bidder shall insure his / her / their personnel and any plant, machinery or other mechanical or electronic equipment involved in the fulfilment of this contract and shall indemnify The Department against all risks or claims which may arise.

7. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All Bids must remain valid until award from the closing date as stipulated in the bid document.

8. PENALTY PROVISION

8.1 Should the successful Bidder:

- [a] Withdraw the Bid during the afore-mentioned period of validity; or
- [b] Advise the Department of his / her / their inability to fulfil the contract; or
- [c] Fail or refuse to fulfil the contract; or
- [d] Fail or refuse to sign the agreement or provide any surety if required to do so;

Then, the Bidder will be held responsible for and is obligated to pay to the Department:

- [a] All expenses incurred by the Department to advertise for or invite and deliberate upon new Bids, should this be necessary.
- [b] The difference between the original accepted Bid price (inclusive of escalation) and:

- [i] A less favourable (for the Department) Bid price (inclusive of escalation) accepted as an alternative by the Department from the Bids originally submitted; or
- [ii] A new Bid price (inclusive of escalation).

8.2 Should the successful Bidder fail to deliver, provisions of the General Conditions of Contract will apply.

8.3 Disputes between the Department and a bidder (if any) will be dealt with in the form of litigation.

9. **BRAND NAMES**

Wherever a brand name is specified in this bid/quotation document (i.e. in the specifications, pricing schedule or bill of quantities or anywhere in this document), the department's requirement is not limited to the specified brand name, but requires an item similar/equivalent or better than specified.

10. **VALUE ADDED TAX**

In calculating the cost of the supply and delivery of services and / or material, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total.

11. **PRICE ESCALATION**

Escalation at **6%** per annum to be incorporated in the proposed 99-year lease period. The escalation in the rental will be reviewed and adjusted from time to time over the lease period in line with the Treasury Regulations and Prescripts and the Consumer Price Index (CPI) at the departments discretion

12. **AUTHORITY TO SIGN BID DOCUMENTS**

1. In the case of a Bid being submitted on behalf of a company, close corporation or partnership, evidence must be submitted to the Department at the time of submission of the Bid that the Bid has been signed by persons properly authorised thereto by resolution of the directors or under the articles of the entity. Furthermore, in the case of a joint venture or consortium at least one directors/ members of each party to the joint venture or consortium must give consent to give authorisation for signatory to this bid.
2. In the event that a resolution to sign is not completed by all directors/ members of the enterprise, the signature of any one of the directors or members to this bid will bind all the directors/ members of the enterprise and will therefore render the bid valid.
3. No authority to sign is required from a company or close corporation or partnership which has only one director or member.
4. In the event that a non-member/ non-director to the enterprise sign this declaration, and no authority is granted, it will automatically invalidate the bid.

13. **CONTRACT PERIOD**

- a. The Department of Public Works and Infrastructure may accept or reject any offer and may cancel the bid process or reject all bid offers at any time before the formation of a contract.
- b. The Department of Public Works and Infrastructure also reserves the right to accept the bid as a whole or a part of the bid, or any item or part of any item.
- c. The Department shall not accept or incur any liability to a service provider for such cancellation or rejection or acceptance, but will give written reasons for such action upon receiving a written request to do so

14. DELIVERY PERIODS

Delivery periods, where indicated must be adhered to. Notwithstanding the termination date of the assignment the bidder will be required to submit progress reports to the Department the contract, form and frequency and dates thereof to be stipulated and agreed upon by the parties upon the awarding of the Bid.

15. DISPUTES

In the event that disputes cannot be resolved by internal systems, the disputes will be settled by litigation.

16. CLOSING DATE / SUBMITTING OF BIDS

16.1 Bids must be submitted in sealed envelopes clearly marked:

SCMU5-20/21-0089: REQUEST FOR PROPOSAL FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE FOR REDEVELOPMENT PURPOSES.

Completed bid documents in a sealed envelope endorsed with the relevant bid number, bid description and the closing, must be deposited in the bid box, Ground floor, Department of Public Works and Infrastructure, Qhasana Building, BISHO not later than **11h00** on **21 JANUARY 2021** when bids will be opened in public.

Bidders must ensure that bids submitted via courier services are deposited by the courier service in the Departmental bid box prior to the closing date and that it is not delivered to Departmental officials. The Department will not accept responsibility if bids received by officials are not timely deposited in the Bid Box.

16. NEGOTIATION WITH THE IDENTIFIED PREFERRED BIDDER

- 16.1 The Bid will be awarded to the bidder who scores the highest PPPFA points. However, should an offer not be market related, the Department reserves the right to negotiate with bidders in accordance with the PPPFA regulations.

17. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

18. COMMUNICATION

- 18.1 A nominated official of the bidder(s) can make enquiries in writing, to the specified persons, as indicated on this document via email. Bidder(s) must reduce all telephonic enquiries to writing and send to the mentioned email address.
- 18.2 The delegated office of Department of Public Works and Infrastructure may communicate with Bidder(s) where clarity is sought in the bid proposal.
- 18.3 Any communication to an official or a person acting in an advisory capacity for Department of Public Works and Infrastructure in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.
- 18.4 All communication between the Bidder(s) and Department of Public Works and Infrastructure must be done in writing.
- 18.5 Whilst all due care has been taken in connection with the preparation of this bid, Department of Public Works and Infrastructure makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. Department of Public Works and Infrastructure, and its employees and advisors will not be liable with respect to any information communicated which may not be accurate, current or complete.
- 18.6 If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by Department of Public Works and Infrastructure (other than minor clerical matters), the Bidder(s) must promptly notify Department of Public Works and Infrastructure in writing of such discrepancy, ambiguity, error or

inconsistency in order to afford Department of Public Works and Infrastructure an opportunity to consider what corrective action is necessary (if any).

18.7 Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by Department of Public Works and Infrastructure will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.

18.8 All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

19. CONDITIONS WITHDRAWN FROM THE GENERAL CONDITIONS OF CONTRACT

Spare parts (paragraph 14)

20. PRESENTATION / DEMONSTRATION

Department of Public Works and Infrastructure reserves the right to request presentations/ demonstrations from the short-listed Bidders as part of the bid process.

21. SUPPLIER DUE DILIGENCE

Department of Public Works and Infrastructure reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits/In loco Inspection.

22. PREPARATION COSTS

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing Department of Public Works and Infrastructure, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

23. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, Department of Public Works and Infrastructure incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds Department of Public Works and Infrastructure harmless from any and all such costs which Department of Public Works and Infrastructure may incur and for any damages or losses Department of Public Works and Infrastructure may suffer.

24. PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

25. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at its own risk and cost. Department of Public Works and Infrastructure shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

26. TAX COMPLIANCE

No tender shall be awarded to a bidder who is not tax compliant

27. GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

28. BBBEE CRITERIA

- 28.1 For bidders to qualify for BBBBEE points, the bidders are required to submit with the quotation:
- a) A valid original or valid certified copy of the bidder's BBBEE certificate or
 - b) A valid original or valid certified copy of the bidder's "Sworn Affidavit" as prescribed by the B-BBEE Codes of Good Practice.
 - c) Failure to submit any of the above (a or b) will result in zero points scored for B-BBEE status level.
- 28.2 SBD 6.1 must be properly completed. Failure to do so, will result in the non-awarding of points.
- 28.3 Further, failure to complete section 7: SUB-CONTRACTING as per the SBD 6.1, will automatically result in the non-awarding of points for BBBEE
- 28.4 Should the bidder intend to sub-contract more than 25%, it is compulsory to submit a valid certified BBBEE certificate for all propose sub-contractors. Failure will automatically result in no points awarded for BBBEE, irrespective if the main bidder submitted an original or certified copy of its BBBEE certificate.
- 28.5 If the date of the company's "Date of latest financial year - end" per Annexure A: Company Details" does not correspond to the bidders submitted "Sworn Affidavit" , the bidder will not receive any points for BBBBEE

29. AWARD OF BIDDERS NOT SCORING THE HIGHEST POINTS

- 29.1 The Department intends to award this to the highest offer as whole, unless circumstances justifies otherwise.
- 29.2 A contract may be awarded to a tenderer that did not score the highest points, subject to a risk assessment indicating that the higher point scorer(s) does not have the capacity to render the service.

30. OTHER CONDITIONS OF BID

- 30.1 The bidder must be registered on the Central Supplier Database (CSD) prior the award..
- 30.2 All bidders' tax matters must be in order prior award. Bidders will be afforded by the Department an opportunity of not more than 7 working days to correct their tax matters, if it is found not to order. Failure to comply within the prescribed period, will lead to elimination. Bidders' tax matters will be verified through CSD.
- 30.3 The Department intends to award to the highest point scorer per item, unless circumstances justifies otherwise.
- 30.4 This bid will be awarded as a whole.
- 30.5 The Department will contract with the successful bidder with an official order

31. AWARD OF BIDDERS NOT SCORING THE HIGHEST POINTS

- 31.1 The Department intends to award this to the highest point scorer as whole, unless circumstances justifies otherwise.
- 31.2 A contract may be awarded to a tenderer that did not score the highest points, subject to a risk assessment indicating that the higher point scorer(s) does not have the capacity to render the service.

32. OTHER CONDITIONS OF BID

- 32.1 The bidder must be registered on the Central Supplier Database (CSD) prior the award..
- 32.2 All bidders' tax matters must be in order prior award. Bidders will be afforded by the Department an opportunity of not more than 7 working days to correct their tax matters, if it is found not to order. Failure to comply within the prescribed period, will lead to elimination. Bidders' tax matters will be verified through CSD.
- 32.3 The Department intends to award to the highest point scorer, unless circumstances justifies otherwise.
- 32.4 This bid will be awarded as a whole.
- 32.5 The Department will contract with the successful bidder with an official order

TERMS OF REFERENCE/ SPECIFICATION
Eastern Cape Provincial Government
Public Works and Infrastructure (DPWI)

BID NUMBER: SCMU5- 20/21-0089

PROJECT DESCRIPTION

The Eastern Cape Department of Public Works and Infrastructure (ECDPWI) hereby invites proposals from bidders, for the leasing and development of Erf 1, BISHO (the old Amatola Sun Hotel).

The aim of the Department of Public Works and Infrastructure (DPWI) is to stimulate economic growth in the Province through the development and utilization of state-owned properties, as well as to unlock economic opportunities, in order to create an enabling environment for job creation and social upliftment. Bidders are encouraged within the development proposal of the project to consider local based opportunities in the area surrounding the development project. This request for proposals is affirmation to strategic objective of the DPWI to be the leading nerve centre for infrastructure delivery in the Eastern Cape Province.

To give effect to the Property Transformation Charter, it is the intention of the ECDPWI to transform the property sector in the Province, by creating economic and investment opportunities, especially for previously disadvantaged groups, to lease and develop state-owned properties for a period of 99 years with an option to renew for a further term at the discretion of the Department of Public Works and Infrastructure. A bidder needs to prove long term black economic empowerment with clear opportunities within the structure of their proposal and this will be scored as part of the Phase 1 Functionality of the bid.

The proposed development of state-owned immovable assets also forms part of the vision of the Eastern Cape Provincial Government to revitalize its inner towns and, to contribute to the key priorities of the state, which is to reduce unemployment through create job creation from construction and other facilities management related activities, in order to alleviate the scourge of poverty that is endemic in certain areas of the Province.

The DPWI will enter into a lease contract with the successful bidders/developers after a formal bidding process has been concluded.

The following is a description of Erf 1, Bisho for which proposals are invited by the Department for leasing for development and/or redevelopment.

Region	Property Description	Site Name	Extent (ha)	Locality Feature of Property	Current Usage of Property
Buffalo City	Erf 1, Bisho	Old Amatola Sun	37.7907	Strategically located on the edge of the Bisho CBD with majestic views of the Amatola Mountains	Vacant and dilapidated old hotel structure

1.2 TECHNICAL INFORMATION

1.2.1 Locality

The subject property is known as Erf 1, BISHO.

Erf 1, BISHO is a huge strategic site which comprises the dilapidated remains of a former hotel known as the Amatola Sun.

The subject property is situated adjacent to the R63 main road which originates from King William's Town to Kei Road via Peeltown and other rural areas surrounding BISHO such as Balasi.

BISHO is the political seat of the Eastern Cape Provincial Government. It is headquarters to the Office of the Premier, the Provincial Legislature and various other Governmental Departments. This small town is situated approximately 60km from East London and 5km from King William's Town, within the jurisdiction of Buffalo City Metropolitan Municipality (BCMM).

Figure 1: Locality



(Source: www.lapsis.co.za)

1.2.2 Registered owner

The property is registered in the name of the Provincial Government of the Eastern Cape *vide* Title Deed Number T3116/2003.

1.2.3 Extent of the property

The official extent of Erf 1, Bisho is 37.7907 hectares as depicted on Surveyor-General diagram C73/1988.

The bid will allow for development of the entire site subject to compliance with the municipal zoning scheme and regulations.

1.2.4 Zoning and Current Land Use

According to the Buffalo City Metropolitan Municipality Zoning Scheme, Erf 1, BISHO is zoned Residential Zone 6, and can therefore be developed for a hotel and other residential buildings, such as boarding houses or guest houses in terms of the current zoning scheme.

Bidders will be required to confirm with the Local Municipality for permitted uses that are allowed on the subject property. Bidders are also required to confirm with the relevant municipality on possible rezoning alternatives in line with the bidder's development proposal regarding the subject property.

1.2.5 Condition

The subject property is presently not occupied as it is in a derelict state due to vandalism. A possibility for demolishing the building is likely due to the extent to which the structure has deteriorated, which might have severely affected the foundation. However, this would have to be confirmed by a Structural Engineer at the cost of the developer.

Figure 3: Site condition



2. Municipal Information

2.1 Bulk Infrastructure and Water Supply

Although the local municipality is responsible for supplying water and electricity to the site, connection regarding bulk services and internal required infrastructure will have to be negotiated between the successful bidders/developers and the Municipality.

The site is currently fully-serviced. However, the prospective bidder/s is/are expected to conduct a feasibility study to investigate the adequacy of the internal bulk infrastructure, and to determine the need for any upgrades. The local municipality is responsible for additional services such as refuse and street verge maintenance on account of the municipal rates that are payable by the owner of the subject property.

2.2 Environmental Considerations

The prospective bidder/s will assume the responsibility to manage the storm water in order to avert any erosion that might occur due to heavy rain. The bidder/s will confirm other related environmental considerations with the local municipality.

2.3 Heritage Considerations

The subject property does not appear to have any architecture that appears to be of heritage importance. The structure is dilapidated due to damage from vandalism, fire and other related factors.

3. SCOPE OF WORK

3.1 Proposed Use

The Provincial Government of the Eastern Cape supports the development of the proposed site in terms of the King William's Town Local Spatial Development Framework Plan (LSDFP) which is outlined in the Spatial Development Framework of Buffalo City Metropolitan Municipality. In terms of the LSDFP referred to above, the area along the R63 which passes through BISHO, and specifically along Amatola Sun is identified as a Development Corridor. This then confirms the need for any proposed development which would create economic growth and development for the area in question.

The Provincial Government has identified the need for the development of a hotel and/or hotel school, conference facility, a nine (9) hole golf course, upper income residential accommodation as well as entertainment facilities. It is for this reason that the bid/s must primarily incorporate the development of three facilities on the site namely:

- A hotel and/or Hotel School
- A 5000 seater conference facility
- A nine (9) hole golf course
- Upper income residential units
- Entertainment Facilities

In addition to the above-mentioned developments, the bid will allow other mixed-uses as proposed by the bidders, subject to compliance with the municipal zoning scheme and regulations. However, if the bid does not include the five development features as stated above, the bid/s will be deemed as non-responsive.

3.2 General Conditions of the Request for Proposals

3.2.1 Bidders are expected to submit detailed proposals which include the following items that are meant as a guide towards the development of their proposals:

- A business concept for the project should explain the entire proposed development relating to the proposed hotel and/or hotel school, conference facility (5000 seater), nine (9) hole golf course and upper income residential facility;

- A site study outlining the geotechnical information including site dimensions and bulk infrastructure in relation to the proposed development,
 - A detailed project plan outlining all the activities to be executed, clear time frames and the approach to the execution of the project indicating the different phases of the development.
 - A feasibility report which outlines the proposed use to which the leased property will be put to ensure its optimal utilization and investment potential. It should include details regarding the current and future determinants of supply and demand, to justify the proposed expenditure and expected returns from the proposed development. A financial viability report, based on the market study, which determines if the project is financially desirable in terms of the expected return and risk trajectory.
 - Detail on long term BBBEE empowerment opportunities should be submitted and it will be scored as part of Phase 1 Functionality.
 - Conceptual diagrams or plans for the proposed development.
 - Bidder must provide proof of his financial capability to execute a project of this nature. A letter of support from a registered financial institution is required.
- 3.2.2 Bidders are advised to include in their proposals, a certified financial report which provides the basis and breakdown of the rental they propose to pay to the Department for the use of the leased property.
- 3.2.3 Bidders are also advised to submit a site development plan with an estimated extent for the portion of the subject property for which they will be submitting a proposal.
- 3.2.4 Due to the nature and extent of the development of vacant land which normally leads to escalation of the rates and taxes, the responsibility for rates and taxes will be devolved to the lessee.
- 3.2.5 The rent will commence at a date to be determined by the DPWI upon completion of the proposed construction.
- 3.2.6 Bidders must acquaint themselves with the correct information on the property notwithstanding the information provided by the state. The state will not be held liable for any salient problems or hidden defects that was not known during the due diligence performed by the bidders.
- 3.2.7 The Bidder will be subjected to a financial due diligence evaluation. The purpose of the evaluation is to assess affordability and financial condition of the Tenant/Investor. The Department will only enter into an agreement with a Tenant/Investor who is financially solvent.
- 3.2.8 The Department is not liable for any costs incurred in the preparation and submission of RFPs.
- 3.2.9 The submission of a RFP shall presume complete acceptance of all the conditions and requirements stipulated in this document.
- 3.2.10 The Department is not bound to accept any RFPs and reserves the right to accept any RFPs in whole or in part.
- 3.3 A compulsory briefing session and inspection of the subject property will be arranged by the Department taking into account the safety measures to be taken in order to reduce the risk posed by the Covid 19 pandemic to the bidders and Departmental officials who will be responsible for the handling of this bid.

4. OTHER REQUIREMENTS

- 4.1 Interested bidders must be able to demonstrate their ability, experience with similar developments and resources (both skills as well as financial).
- 4.2 The Department reserves the right not to award the bid to the highest rental offering bidder.

5. BID EVALUATION CRITERIA

This bid will be evaluated in Three (3) phases as follows:

- (a) **PHASE ONE:** Bidders will be evaluated on functionality.
- (b) **PHASE TWO:** Compliance, responsiveness to the bid rules and conditions, thereafter they will be evaluated on Price
- (c) **PHASE THREE:** Bidders passing all stages above will thereafter be evaluated on PPPFA

A. PHASE ONE: EVALUATION OF FUNCTIONALITY

The functionality criteria and maximum score in respect of each of the criteria are as follows:

FUNCTIONALITY CRITERIA	MAXIMUM POINTS SCORE
A. Master Development Implementation Plan	80
B. Financial Capability	20
Total Score	100
Bidder should score a minimum of 70 points for further evaluation.	

Table 1: FUNCTIONALITY EVALUATION CRITERIA: MINIMUM POINTS TO BE SCORED ON THE FUNCTIONALITY IS 70 POINTS FOR FURTHER EVALUATION.

FUNCTIONALITY CRITERIA		MAXIMUM POINTS SCORE
A.Master Development Implementation Plan (80 points)		80
A1 – Project Concept Document (Quality, logic, implementation Approach and understanding of the brief related to the three development features) This will be scored pro-rata in accordance with the three development features. If the three development features are not covered in detail, the bid becomes non-responsive	30 points	
A2. Geotechnical information / data	5 points	

FUNCTIONALITY CRITERIA					MAXIMUM POINTS SCORE
A3. Project Execution Plan (Project Methodology Pre-planning, Construction, Close Out /Occupation and Maintenance / Facilities Management in line with the development proposed costing) If all elements are covered, 10 points will be awarded					10 points
A4. Feasibility Report/Study (Outlines the proposed use to which the leased property will be put to ensure its optimal utilization and investment potential. It should include details regarding the current and future determinants of supply and demand, to justify the proposed expenditure and expected returns from the proposed development. A financial viability report, based on the market study, which determines if the project is financially desirable in terms of the expected return and risk trajectory.) If all elements are covered, 10 points will be awarded					10 points
A5. Site Development Plan / Concept architectural drawings					5 points
A6. Professional Team					10 points
Resource required	No. of professionals	Minimum Requirements	Professional registration	Minimum Experience	
Quantity Surveyor	1	BSc (QS)	SACQSP	5 years post professional registration	
Architect	1	B Arch	SACAP	5 years post professional registration	
Civil Engineer	1	BSc (Civil Engineering)	ECSA	5 years post professional registration	
Town Planner	1	B (Town Planning)	SACPLAN	5 years post professional registration	
<p>Bidder to provide all certified professional registration certification, qualification certificates and detailed curriculum vitae per professional. If not included, it will be accepted that the professional is not part of the team.</p> <p>If all elements are covered, 20 points will be awarded</p>					

FUNCTIONALITY CRITERIA		MAXIMUM POINTS SCORE
B. BBBEE Empowerment	25 points	
B1. Management Control: Outcome – Percentage of black directors on the Board		
B2. Employment Equity: Outcome – Black representation at middle and senior management	5	
B3. Preferential Procurement: Outcome – Procurement from black enterprises	5	
B4. Socio-Economic Development: Outcome – Contributions to local community and community development	5	
B5. Outsourcing of Facilities Management Service: Outcome – Development of Black Enterprises	10	
C. Financial Capability (Proof of support from a registered financial institution is required)	5 points	
Total Score	100	

D. PHASE TWO: RESPONSIVENESS TO THE BID REQUIREMENTS AND RULES

Bidders' proposals must meet the following minimum requirements and supporting documents must be submitted with the completed bid document in a sealed envelope in the bid box at the closing date and time. Failure to comply will automatically eliminate the bid for further consideration:

1. Bid Document (This Document in its original format)
2. Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. Returnable Schedule: SBD 1- Invitation to bid
4. Bidders must be a legal entity or partnership or joint venture or consortia.
5. SBD 3.1- Pricing Schedule- Firm Prices
6. SBD 4- Declaration of Interest (Completed and signed)
7. SBD 8- Declaration of Bidder's past Supply Chain Management Practices. (Completed and signed)
8. SBD 9- Certificate of Independent Bid Determination. (Completed and signed)
9. Copy of company profile and company registration documents or CIPRO certificate listing all members with percentages, in case of a CC.
10. In the event of a consortia/joint ventures, a signed agreement by all parties must be submitted with the bid.
11. Returnable Documents: Company Details – Annexure A
12. Returnable Documents: Company Composition – Annexure B
13. Declaration: Validity of Information Provided – Annexure C

14. Resolution to Sign (if applicable) – Annexure D

Other Conditions of bid

15. A valid original or certified copy of BBBEE certificate must be submitted with the bid OR "Sworn Affidavit in terms of the amended BBBEE codes must be submitted in order to qualify for preference points for BBBEE.
16. The preferred bidder will have to undertake or complete the proposed development in no longer than 36 months unless determined otherwise by the Department. In the event that the bidder fails to complete the project within the stipulated time of 36 months, the bidder will be liable for occupational rent which shall be determined by a professional registered Valuer.
17. The Department will contract with the successful bidder by signing a long term lease agreement.

E. PHASE THREE: EVALUATION ON PRICE

PPPFA and its regulations will only be applicable as listed below:

- (i) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations of 2017 will only be applicable for the B-BBEE Status Level of Contributor.
- (ii) The bid offering in form of the highest rental income for the leasing of the subject property will be considered if the bid complies with all the previous phases of the evaluation stages.

5.1. Financial Model

The bidder needs to provide a business proposal which outlines the development costs and the bidder needs to demonstrate the financial capacity for return in investment. It is the intention of government to lease the subject property to the preferred bidder for a period of 99 years renewable at the discretion of the Department. After the lease period, the property, including the improvements reverts back to the government without costs to the Department. The bidder is expected to provide proof of financial capacity which is equal to or more than the cost of the proposed development or phases of development. The escalation in the rental will be reviewed and adjusted from time to time over the lease period in line with the Consumer Price Index (CPI) at the departments discretion.

It would also be the successful bidder's responsibility to pay for property **rates & taxes** as well as all municipal services over the lease period. Financial Model may include feasibility and financing proposals. Exclusions from the Financial Model need to be clearly listed.

5.2 Contract Management

It is the intention of government to lease this property for a period of 99 years with an option to renew at the discretion of the Department in order to ensure sustainability of the proposed development. In this regard, the Department wishes to ensure that all information passed from DPWI to the proposer through this process and thereafter is treated as confidential.

The developer/ investor will have to undertake or complete the proposed development in no longer than **36 months unless determined otherwise by the Department**. During the construction period, the preferred bidder will be **liable for the payment of rates and taxes**. In the event that the bidder

fails to complete the project within the stipulated time of 36 months, the bidder will be **liable for occupational rent as stated on the Form of Offer**.

5.3 Insurance and Public Liability

At the time of contracting the bidder will be expected to provide proof for insurance and public liability.

A. BID SPECIFICATIONS, CONDITIONS AND RULES

- 1) The minimum specifications, functionality and other bid conditions and rules are detailed in the bid document.
- 2) The bid will be valid up until award.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)
NOTE: ONLY FIRM PRICES WILL BE ACCEPTED**

Name of bidder	Bid number SCMU5-20/21-0089
Closing Time 11H00	Closing date 21 JANUARY 2021

OFFER TO BE VALID FOR UNTIL AWARD FROM THE CLOSING DATE OF BID

**REQUEST FOR LEASING OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN
CAPE PROVINCE FOR A PERIOD ON 99 YEARS WITH THE OPTION TO RENEW.**

Description of the required service	Total Price (99 year period including escalation of 6% per annum) (must be firm & excluding Vat))
TOTAL RENTAL FOR 99-YEAR LEASE OF ERF 1, BISHO (OLD AMATOLA SUN HOTEL), EASTERN CAPE PROVINCE.	R
Sub Total	R
VAT at 15% if applicable	R
Total (including vat if applicable) <i>(Total price must be carried over to SBD 1 on page 3)</i>	R

- Rental will be paid on a monthly basis over the lease period
- All bidders must submit a breakdown of the rental calculations over the 99-year lease period

VAT REGISTRATION NUMBER (IF APPLICABLE)

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

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.
THIS WILL BE NOT APPLICABLE FOR THE BID / MUST IT BE REMOVED FROM BID DOCUMENT**

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to this bid:
- the 90/10 system for requirements with a Rand value exceeding R50 000 000 (all applicable taxes included)
- 1.2 The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the 90/10 preference point system shall be applicable

- 1.3 Points for this bid shall be awarded for:

PPPFA and its regulations will only be applicable as listed below:

- (i) The preference point systems prescribed in the PPPFA and the Preferential Procurement Regulations of 2017 will only be applicable for the B-BBEE Status Level of Contributor;
- (ii) The bid offering in form of the highest rental income for the leasing of the subject property will be considered if the bid complies with all the previous phases of the evaluation stages.

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

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

3.1 THE 90/10 PREFERENCE POINT SYSTEMS

A maximum of 90 points is allocated for price on the following basis:
90/10

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

Where

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

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

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

4.2

B-BBEE Status Level of Contributor	Number of points (90/10 system)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
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 of 10 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(*Tick applicable box*)

YES		NO	
-----	--	----	--

7.1.1 If yes, indicate:

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

(*Tick applicable box*)

YES		NO	
-----	--	----	--

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

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

acknowledge that:

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

WITNESSES

- 1.
- 2.

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

DATE:

ADDRESS
.....
.....

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:.....
 - 2.3 Position occupied in the Company (director, trustee, shareholder², member):
 - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means –

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

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

2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

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

.....

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

.....

Position occupied in the state institution:

Any other particulars:

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

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES / NO

2.7.2.1 If yes, did you attach proof of such authority to the bid document? YES / NO

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

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

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

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder,
aware of any relationship (family, friend, other) between
any other bidder and any person employed by the state
who may be involved with the evaluation and or adjudication
of this bid?

YES/NO

2.10.1 If so, furnish particulars.

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

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

YES/NO

2.11.1 If so, furnish particulars:

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

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

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS

DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

COMPANY DETAILS

The following company details schedule must be completed to ensure that the prerequisite requirements to bidding are met.

Registered Company Name:

.....

Company Registration Number:

VAT Number:

Bank Name and Branch:

Bank Account Number:

Last Financial Year End: Year.....Month.....Day

Professional Registration Details (if applicable):

.....

.....

.....

.....

Professional Indemnity Details:

.....

.....

All information must be filled in spaces provided. If additional space is required, additional sheets may be attached. The onus is on the bidder to fill in all the information. The full company composition is required including HDI and Non-HDI status. The ownership must accumulate to 100%.

[illegible]

Please note: This information is for statistical purposes

RESOLUTION FOR SIGNATORY

(See Special Conditions of Bid, paragraph 12)

Signatory for companies shall confirm their authority hereto by attaching a duly signed and dated copy of the relevant resolution of the board of directors to this form.

An example is given below:

"By resolution of the board of directors passed at a meeting held on _____

MS /Ms _____, whose signature appears below, has been duly authorised to sign all documents in connection with the tender for

Contract No. _____

and any Contract which may arise there from on behalf of (Block Capitals) _____

SIGNED ON BEHALF OF THE COMPANY: _____

IN HIS/HER CAPACITY AS: _____

DATE: _____

SIGNATURE OF SIGNATORY: _____

WITNESSES:

1. _____ SIGNATURE: _____

ANNEXURE D

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE - GENERAL

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Enterprise Physical Address:	
Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):	
Nature of Business:	
Definition of "Black People"	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) Who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) Who became citizens of the Republic of South Africa by naturalization-</p> <ol style="list-style-type: none"> i. before 27 April 1994; or ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date
Definition of "Black Designated Groups"	<p>"Black Designated Groups means:</p> <ol style="list-style-type: none"> (a) Unemployed black people not attending and not required by the law to attend an educational institution and not awaiting admission to an educational institution; (b) Black people who are youth as defined in the National Youth Commission Act of 1996; (c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act; (d) Black people living in rural and under developed areas; (e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"

3. I hereby declare under Oath that:

- The Enterprise is _____% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,

- The Enterprise is _____% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is _____% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above;
 - Black Youth % = _____%
 - Black Disabled % = _____%
 - Black Unemployed % = _____%
 - Black People living in Rural areas % = _____%
 - Black Military Veterans % = _____%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands),
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% Black Owned	Level One (135% B-BBEE procurement recognition level)	
At Least 51% black owned	Level Two (125% B-BBEE procurement recognition level)	

- I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
- The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____
Date: _____

Commissioner of Oaths
Signature & stamp

ANNEXURE E

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE - GENERAL

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading Name (If Applicable):	
Registration Number:	
Enterprise Physical Address:	
Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):	
Nature of Business:	
Definition of "Black People"	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) Who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) Who became citizens of the Republic of South Africa by naturalization-</p> <ol style="list-style-type: none"> i. Before 27 April 1994; or ii. On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date
Definition of "Black Designated Groups"	<p>"Black Designated Groups means:</p> <ol style="list-style-type: none"> (a) Unemployed black people not attending and not required by the law to attend an educational institution and not awaiting admission to an educational institution; (b) Black people who are youth as defined in the National Youth Commission Act of 1996; (c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act; (d) Black people living in rural and under developed arears; (e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"

3. I hereby declare under Oath that:

- The Enterprise is _____ % Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,

- The Enterprise is _____% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is _____% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above;
 - Black Youth % = _____%
 - Black Disabled % = _____%
 - Black Unemployed % = _____%
 - Black People living in Rural areas % = _____%
 - Black Military Veterans % = _____%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was R10,000,000.00 (Ten Million Rands) or less
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% Black Owned	Level One (135% B-BBEE procurement recognition level)	
At Least 51% black owned	Level Two (125% B-BBEE procurement recognition level)	
Less than 51% Black Owned	Level Four (100% B-BBEE procurement recognition level)	

- I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
- The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____
Date: _____

Commissioner of Oaths
Signature & stamp

GENERAL CONDITIONS OF CONTRACT

A. TABLE OF CLAUSES

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GENERAL CONDITIONS OF CONTRACT

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 provider, 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 provider 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 the 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 provider 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 provider and not involving the provider’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 provider 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 provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as land 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 provider covered under the contract.
- 1.25 **“Written”** or **“in writing”** means hand-written 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 (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and in the institution’s website.
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection**
- 5.1 The provider 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 provider 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 provider 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 provider’s performance under the contract if so required by the purchaser.
- 5.4 The provider shall permit the purchaser to inspect the provider’s records relating to the performance of the provider and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The provider shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of goods or any part thereof by the purchaser.
- 6.2 When a provider developed documentation/projects for the department or PROVINCIAL entity, the intellectual, copy and patent rights or ownership or such documents or projects will vest in the department or PROVINCIAL entity.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the success 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 provider'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 provider not later than thirty (30) days following the date of completion of the provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clause 8.2 & 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 provider.
- 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 provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.
- 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.

10. Packaging

- 9.1 The provider shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packaging, 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the provider in accordance with the terms specified in the contract.

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The provider may be required to provide any or all of the following services, including additional services, if any:
- (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 provider of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the provider'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 provider 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 provider for similar services.

14. Spare parts

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

- 9. such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and
- 10. in the event of termination of production of the spare parts:
 - a. Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - b. 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 provider 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 provider 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 provider, 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.
- 15.3 The purchaser shall promptly notify the provider in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the provider shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the provider, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the provider under this contract shall be specified
- 16.2 The provider 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 provider.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Increase/decrease of quantities

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised quantities. The contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Contract amendments

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

20. Assignment

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

21. Subcontracts

- 21.1 The provider 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 provider from any liability or obligation under the contract.
- Sub-contraction will be allowed in terms of provision of land survey act

22. Delays in the provider's performance

22.1 Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract.

22.2 If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider 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 provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the provider'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.

22.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.

22.4 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider 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.

22.5 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 provider'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 provider.

23. Penalties

23.1 Subject to GCC Clause 25, if the provider 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 good 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.

24. Termination For Default

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

- (a) if the provider 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 provider fails to perform any other obligation(s) under the contract; or
- (c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

24.2 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 provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.

25. Anti-Dumping And Counter-Vailing Duties And Rights

25.1 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 provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider 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.

26. Force Majeure

26.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the provider 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.

26.2 If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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.

27. Termination For Insolvency

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

28. Settlement Of Disputes

28.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the provider 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.

28.2 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 provider 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.

28.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

28.4 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 provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract.

29. Limitation Of Liability

- 29.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the provider 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 provider to pay penalties and / or damages to the purchaser; and
 - (b) the aggregate liability of the provider 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.

30. Governing Language

- 30.1 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.

31. Applicable Law

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

32. Notices

- 32.1 Every written acceptance of a bid shall be posted to the provider 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.
- 32.2 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.

33. TAXES AND DUTIES

- 33.1 A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 33.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 33.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

34. Transfer Of Contracts

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

35. Amendment Of Contracts

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