



forestry, fisheries & the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

INVITATION TO BID

BID NUMBER: DFFE-T027 (21/22)

APPOINTMENT OF THE TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED PUBLIC PRIVATE PARTNERSHIP PROJECT FOR MANAGING THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT STATE FOREST PLANTATIONS

Contact persons:

Name: Mr. Matodzi Luvhimbi

Office Telephone No. 012 309 5760

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Name: Ms Onica Zikhali

Office Telephone No. 012 309 5757

E-mail: ozikhali@environment.gov.za

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

Bidder name	Registration number	Central Supplier Database (CSD number)	
			Main contractor
			Sub-contracted/ joint venture comp 1
			Sub-contracted/ joint venture comp 2

CLOSING DATE OF THE BID: 10 September 2021 AT 11H00

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DFFE-T027 (21/22)	CLOSING DATE:	10 SEPTEMBER 2021	CLOSING TIME:	11:00
DESCRIPTION	THE APPOINTMENT OF THE TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED PUBLIC PRIVATE PARTNERSHIP PROJECT FOR MANAGING THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT STATE FOREST PLANTATIONS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Department of Forestry Fisheries and the Environment; The Environment House, 473 Steve Biko Road; Cnr Soutpansberg and Steve Biko Road, Arcadia Pretoria /Tshwane					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr Jacque Steyn or Ms Emily Babedi		CONTACT PERSON	Mr. Matodzi Luvhimbi or Ms Onica Zikhali	
TELEPHONE NUMBER	012 399 9019/9080		TELEPHONE NUMBER	012 309 5760 or 012 309 5757	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	jsteyn@environment.gov.za/ ebabedi@environment.gov.za/		E-MAIL ADDRESS	mluvhimbi@environment.gov.za / ozikhali@environment.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 PART B:3]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 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."

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO: DFFE-T027 (21/22)
CLOSING TIME 11h00	CLOSING DATE: 10 SEPTEMBER 2021

OFFER TO BE VALID FOR120.....DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION: THE APPOINTMENT OF THE TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED PUBLIC PRIVATE PARTNERSHIP PROJECT FOR MANAGING THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT STATE FOREST PLANTATIONS

**(ALL APPLICABLE TAXES INCLUDED)

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

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

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

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

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

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

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

Name of Bidder:

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

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

- 6. Period required for commencement with project after acceptance of bid
.....
- 7. Estimated man-days for completion of project
.....
- 8. Are the rates quoted firm for the full period of contract? *YES/NO
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....
.....
.....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

Department of Forestry Fisheries and the Environment

Contact Person: Mr Jacque Steyn / Ms Emily Babedi

Tel: (012) 399 9019/ 9080/ 9047

E-mail: jsteyn@environment.gov.za or ebabedi@environment.gov.za

Or for technical information –

Name : Mr. Matodzi Luvhimbi
Office Telephone No. : 012 309 5760
E-Mail : mluvhimbi@environment.gov.za

Name : Ms Onica Zikhali
Office Telephone No. : 012 309 5757
E-Mail : ozikhali@environment.gov.za

SBD 4

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.

.....

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

November 2011

**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.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
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.

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

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

(Points claimed in respect of paragraph 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

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

4.4.1	If so, furnish particulars:
-------	-----------------------------

SBD 8

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

Js365bW

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 *pe 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

Js914w 2



forestry, fisheries
& the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT (DFFE) AS AN ORGAN OF STATE SUBSCRIBES TO AND PROPAGATES BOTH THE NOTION OF BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT, 2003 (Act No. 53 of 2003) (BBBEE), THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 (Act No. 5 of 2000) AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

TERMS OF REFERENCE

TERMS OF REFERENCE FOR THE APPOINTMENT OF THE TRANSACTION ADVISOR TO CONDUCT A FEASIBILITY STUDY FOR THE PROPOSED PUBLIC PRIVATE PARTNERSHIP PROJECT FOR MANAGING THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT STATE FOREST PLANTATIONS

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1. PURPOSE

To appoint a transaction advisor to:

- 1.1 undertake a comprehensive feasibility study on the proposed public private partnership project for future management of the Department of Forestry, Fisheries and the Environment (DFFE) State Forest plantations.
- 1.2 provide the necessary technical, legal and financial advisory support for the procurement of a private partner, if project is feasible.

2. INTRODUCTION AND BACKGROUND

- 2.1 The DFFE is responsible for the management of about 110 745.28 ha of which 64 445.12 is effective areas and 46 289.16 is non-effective areas. These areas are scattered in KwaZulu-Natal, Eastern Cape, Limpopo and Mpumalanga Provinces.
- 2.2 In an effort to achieve sustainable forest management, DFFE has decided to investigate a Public Private Partnership (PPP) for the management of its plantations. This will ensure that the department realises its transformation agenda and focusses on its role as a regulator and a sector leader. DFFE wishes to conduct the feasibility of PPP project in terms of the National Treasury Regulations 16 of the Public Finance Management Act, 1999 (PFMA).
- 2.3 DFFE thus intends to procure the services of an experienced transaction advisor to assist it through the regulated phases of the PPP project cycle. These terms of reference invite proposals from a transaction advisor representing a team of suitably qualified and experienced financial, technical and legal advisors to assist the DFFE.
- 2.4 The transaction advisor will be required to undertake a comprehensive feasibility study on the proposed future management of the DFFE State forest plantations. If the PPP project is feasible, the transaction advisor will be required to provide the necessary technical, legal and financial advisory support for the PPP procurement of a private partner.

3. OBJECTIVES

- To determine the best management model in the interests of the department. To test if the department can afford the project.
- To demonstrate the value for money solutions.
- To demonstrate if there are substantial technical, operational and financial risks transferred to the private party.

4. SCOPE AND EXTENT OF WORK

The scope of work for the transaction advisor is to conduct:

4.1 Part 1: Feasibility study

The transaction advisor will be required to produce a comprehensive feasibility study for the department on the proposed future management model of DFFE State forest plantations using public sector comparator and PPP reference models. This must enable the DFFE to determine:

- full project cycle costs
- affordability limits
- risks and their costs
- optimal value-for-money methods of delivery.

The transaction advisor is required to produce, in close liaison with the DFFE, a comprehensive feasibility study for managing plantation through a Public Private Partnership. The feasibility study needs to clearly demonstrate affordability for the full project cycle and propose the optimal value-for-money solution for the DFFE to achieve its desired outcomes. The feasibility study is to be conducted in compliance with *National Treasury's PPP Manual*, available on www.treasury.gov.za or from the GTAC website www.gtac.gov.za.

In line with *National Treasury's PPP Manual, Module 4: PPP Feasibility Study*, the feasibility study must include amongst others the following:

- Needs analysis
- Solution options analysis
- Project due diligence
- Value assessment
- Economic valuation
- Procurement plan

4.2 Part 2: PPP procurement

If, on the basis of the feasibility study recommendation, a PPP procurement is decided on, and if the DFFE requires it, the transaction advisor will be required to provide the necessary technical, legal and financial advisory support for the procurement of a private partner. This must be in compliance with all the elements of Treasury Regulation 16 to the PFMA.

5. EXPECTED DELIVERABLES / OUTCOMES

5.1 COMPONENTS OF THE FEASIBILITY STUDY

In line with National Treasury PPP Manual, module 4: PPP Feasibility Study, the feasibility study must include the following:

Contents of the report

Introduction

- Covering letter from the accounting officer to accounting authority requesting Treasury Approval TA: 1
- Executive Summary
- Introduction
- Project background
- Approach and methodology to the feasibility study

Section 1

Needs analysis

- Institution strategic objectives
- Budget analysis
- Institutional analysis
- Output specifications
- Scope of the project

Section 2

Solution options analysis

- Identification of optimum solutions
- Evaluation and assessment of each option against output specifications
- Summary of evaluation and assessment of the two options considered

- Recommendation of a preferred delivery option

Section 3

Project due diligence

- Legal aspects
- Site enablement
- Socio-economic and BBEE

Section 4

Value assessment

- *Public Sector Comparator (PSC) model*
 - Technical definition of the project
 - Discussion on costs (direct and indirect) and assumptions made on cost estimates
 - Discussion on revenue (if relevant) and assumptions made on revenue estimates
 - B-BBEE targets
 - Discussion on all model assumptions made in the construction of the model, including inflation rate, discount rate, depreciation, budgets and MTEF
 - Summary of results from the base PSC model: NPV
- *PPP reference*
 - Technical definition of the project
 - Discussion on costs (direct and indirect) and assumptions made on cost estimates
 - Discussion on revenue (if relevant) and assumptions made on revenue estimates
 - Discussion on proposed PPP type
 - B-BBEE targets
 - Proposed PPP project structure and sources of funding
 - Payment mechanism
 - Discussion on all model assumptions made in the construction of the model, including inflation rate, discount rate, depreciation, taxation and VAT
 - Summary of results from the PPP-reference model: NPV
- Risk assessment
 - Comprehensive risk matrix for all project risks

- Summary of the institutions retained and transferable risks
- The NPV of all risks (retained and transferable) to be added onto the base PSC model
- The NPV of all retained risks to be added onto the PPP reference model
- Risk adjusted PSC model
- Summary of results: NPV
- Risk adjusted PPP reference
- Summary of results: NPV, key indicators
- Sensitivity analyses
- Statement of affordability
- Statement of value for money
- Recommended procurement choice
- Information verification
- Summary of documents attached in Annexure 1 to verify information found in the feasibility study report.

Section 6

Procurement plan

Annexures

Annexure 1: Statements for information verification and sign-off from each advisor to the project

Annexure 2: Letter of concurrence from CFO of institution

Annexure 3: PSC model

Annexure 4: PPP reference model

Annexure 5: Risk assessment and comprehensive risk matrix

Annexure 6: Document list (list of all documents related to the project, where they are kept, and who is responsible for ensuring that they are updated)

Annexure 7: Site assessment analysis

Annexure 8, 9 etc.: Attach as annexures all other documents that have informed the feasibility study and that are of decision –making relevance to the project.

5.2 PRESENTATION OF THE FEASIBILITY STUDY

The feasibility study, comprising all above deliverables, must be compiled in a single report in Word format (with relevant annexures), and delivered as both electronic and hard copy documents. All

financial models must be in Excel Model, and clearly set out all assumptions made, sensitivity analysis carried out, model outputs. The financial models must be sufficiently adaptable for use by others at later stages. The feasibility study must be presented with thorough executive summary and must be accompanied by PowerPoint presentation that encapsulates all the key features of the study. The Executive summary and Power-point presentation must be compiled in such a manner that they can be used by the DFFE's management for decision-making purposes.

5.3 SUBMISSION REQUIREMENTS FOR THE FEASIBILITY STUDY REPORT AND REQUEST FOR TREASURY APPROVAL TA: 1

If the DFFE decides to pursue a PPP solution for the construction of accommodation building and the maintenance, the feasibility study must be of a standard that will be accepted by DFFE for the purposes of the DFFE obtaining Treasury Approval: (TA:1) in terms of Treasury Regulation 16 to the PFMA. The transaction advisor is therefore advised to be fully familiar with the requirements of Treasury as set out in *Module 4*:

5.4 FOR THE PPP PROCUREMENT

If the DFFE decides on PPP procurement solution, the transaction advisor is required to work with the DFFE to manage the procurement process for securing contracts with a private party. All this needs to be in accordance with the systems and standards set out for PPPs in Treasury Regulation 16 and using *National Treasury PPP Manual and standardised PPP provisions*

The transaction advisor will then have to deliver the following:

5.4.1 INSTITUTION APPROVAL IIA AND ADMINISTRATION OF THE BIDDING PROCESS.

The transaction advisor must prepare a complete set of procurement documents, complying with public sector procurement law, policies and guidelines, and in accordance with the tendering systems of the DFFE. The documentation must be consistent with the results of the feasibility study and enable the DFFE to obtain TA IIA in terms of Treasury Regulations 16.

The transaction Advisor must also give the DFFE all the necessary drafting, bidder communication and administrative support necessary for the entire procurement process to be conducted in accordance with law and policy, and to highest standards of efficiency, quality and integrity.

5.4.2 PRE-QUALIFICATION

The transaction advisor must design and administer a pre-qualification (request for qualification (RFQ)) process with the intention of:

- ensuring that the DFFE's exact interest is communicated clearly to the market
- determining the extent and nature of interest in the private sector
- pre-qualifying a competitive number of competent consortia in an equitable and transparent way.

The desired result is that every pre-qualified bidder is capable of providing the services required by the DFFE.

The transaction advisor must: prepare all the necessary RFQ documentation, including advertising material; set up and administer the process by which the DFFE can pre-qualify the parties; and help the DFFE evaluate and pre-qualify bidders.

5.4.3 PAYMENT MECHANISM

The transaction advisor must develop a rigorous payment mechanism that captures the elements of risk transfer established in the feasibility study.

5.4.4 BID EVALUATION CRITERIA, BID PROCESS DESIGN AND BBBEE REQUIREMENTS

The transaction advisor must: set up a bid evaluation system and criteria; design a suitable bid process that will ensure comparable bids; devise effective systems for communicating with bidders; inspire market confidence; and incorporate all BBBEE requirements for the project. If appropriate, a system that allows for variant bids may be designed.

5.4.5 REQUEST FOR PROPOSALS (RFP)

The transaction advisor must prepare an RFP document in accordance with best industry practice and *PPP Manual*, consistent with the results of the feasibility study. The RFP must concisely set out:

- the output specifications of the DFFE
- requirements for compliant bids

- a risk profile as established in the feasibility study
- the payment mechanism
- the bid processes
- evaluation criteria
- bidder communication systems.

5.4.6 A DRAFT PPP AGREEMENT

The transaction advisor must prepare a draft PPP agreement, based on *Standardised PPP Provisions*. Close liaison with the DFFE management and the GTAC Advisor is required during drafting.

TREASURY APPROVAL: IIA

The transaction advisor must compile all the documentation necessary for the DFFE to obtain Treasury Approval: IIA in terms of Treasury Regulation 16 to the PFMA to enable the procurement process to begin.

ADMINISTRATION OF THE BIDDING PROCESS

The transaction advisor is to provide all necessary administrative support to the DFFE for the efficient and professional management of the bidding process. This includes managing a data room, facilitating structured engagement between the DFFE and bidders, helping the DFFE communicate effectively with bidders, and receiving bids.

5.4.7 EVALUATION OF BIDS, DEMONSTRATING VALUE FOR MONEY AND TREASURY APPROVAL: IIB

EVALUATION OF BIDS

The authorised staff of the DFFE, helped by the transaction advisor, must evaluate bids following guidance given in *Module 5: PPP Procurement of National Treasury PPP Manual*.

A best and final offer (BAFO) process may be required. When costing this phase of work the transaction advisor must allow for the possibility of administering BAFO processes. If there is no BAFO process, the transaction advisor's remuneration will be adjusted accordingly.

THE VALUE-FOR-MONEY REPORT AND TREASURY APPROVAL: IIB

Value for money must be demonstrated by comparing the net present value (NPV) of the bids received with the NPV of the PSC for the construction of accommodation and maintenance, with a suitable adjustment for risk assumed.

The results of the bidding and evaluation of bids must be presented in a single value-for-money report (with relevant annexures) that demonstrates clearly how value for money will be achieved with the preferred bidder. The report must clearly indicate the preferred and second-ranked bidders and provide motivations.

The value-for-money report must be in a suitable format and of a suitable standard for the DFFE to get Treasury Approval: IIB (TA: IIB) in terms of Treasury Regulation 16 to the PFMA. The guidance given in *Module 5: PPP Procurement of National Treasury PPP Manual* should be followed.

5.4.8 PPP AGREEMENT NEGOTIATIONS, PPP AGREEMENT MANAGEMENT PLAN AND TREASURY APPROVAL III

The transaction advisor must assist the DFFE in final negotiations with the preferred bidder. This will involve preparing suitable negotiations teams, categorising issues appropriately, developing timelines for completion, and planning negotiations tactics and processes for reaching agreement. The transaction advisor must ensure that all agreements reached are incorporated into all the financial, commercial and legal documentation, and must assist with drafting the necessary and related correspondence.

The final terms of the agreements, each as negotiated with the preferred bidder, must be submitted by the DFFE, along with the PPP agreement management plan for the management of the forestry and plantations, for Treasury Approval: III (TA:III) in terms of Treasury Regulation 16. The transaction advisor is responsible for compiling the necessary submissions for the DFFE to obtain this approval. (See Treasury Regulation 16.6.1(a).

The transaction advisor must, in close liaison with the DFFE, draft a comprehensive PPP agreement management plan for the DFFE. (See Treasury Regulation 16.6.1(b).) This will be in accordance with the provisions of the PPP agreement and following the guidance given in *Module 6: Managing the PPP Agreement of National Treasury's PPP Manual*.

The transaction advisor must ensure that a comprehensive legal due diligence of the accounting officer has been completed. This will relate to legal compliance, competence and capacity to enter into the PPP agreement. (See Treasury Regulation 16.6.1(c).)

5.4.9 PPP AGREEMENT SIGNATURE, CLOSE-OUT REPORT AND CASE STUDY, AND FINANCIAL CLOSURE

The transaction advisor must help the DFFE with all functions related to signing the final agreement.

The transaction advisor must also compile a comprehensive close-out report and case study. These must follow the formats prescribed in *Module 5: PPP Procurement of National Treasury PPP Manual*, and must incorporate any additional factors that may be required by the DFFE.

The close-out report will be a confidential document of the DFFE. The case study will become a public document, made available on DFFE websites and on request.

Financial closure signifies that all the procurement deliverables have been successfully completed, and that the transaction advisor's work is finished, if applicable.

6. PERIOD / DURATION OF PROJECT / ASSIGNMENT

- 6.1. The successful service provider will be appointed for a period of thirty six (36) months after the signing of the Service Level Agreement (SLA) by both parties.

7. COSTING / COMPREHENSIVE BUDGET

- 7.1. Comprehensive fixed costing/ budget must be provided in a separate sealed envelope inclusive of all disbursement costs, delivery and other expenses inclusive of VAT.
- 7.2. The bid will be evaluated on two envelope system; first evaluation will be conducted on technical proposals only.
- 7.3. All bid proposal that achieved a minimum of **75%** on functionality their price will be open and evaluated further on preference point system of 80/20. All bidder who failed to achieved a minimum requirement on functionality their pricing schedule will be returned unopened.
- 7.4. DEFF reserves the right to negotiate price with a recommended service provider identified in the evaluation process without offering the same opportunity to any other bidder (s) who have not been recommended.

8. EVALUATION CRITERIA

8.1 The evaluation for this bid will be carried out in four (4) phases:

- Phase 1: Pre-Compliance.
- Phase 2: Pre-Qualification.
- Phase 3: Functionality Criteria.
- Phase 4: Price and B-BBEE.

8.2 PHASE 1: Pre-compliance or Initial Screening

8.2.1 During this phase bid documents will be reviewed to determine the compliance with SCM returnable, tax matters and whether Central Data Base (CSD) report has been submitted with the bid documents at the closing date and time of the bid. Bids which do not satisfy the compliance criteria will not be evaluated further.

8.2.1 The bid proposal will be screened for compliance with administrative requirements as indicated below and bidders must circle the correct answer:

Item No.	Administrative Requirements	Check/Compliance	Non-submission may result in disqualification?
1	Master Bid Document	Provided and bound	*YES
Included in the Bid Document			
2	SCM - SBD 1 - Invitation to Bid	Completed and signed	*YES
3	SCM - Tax Clearance Certificate Requirements	Attached CSD registration number/SARS PIN and CSD summary report	*YES
4	SCM - SBD 4 - Declaration of Interest	Completed and signed	*YES
5	SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017	Completed and signed, supported by B-BBEE Certificate if applicable or Affidavit if applicable	**NO
6	SCM - SBD 8 – Declaration of Bidder's Past Supply Chain Management Practices	Completed and signed, supported	*YES
7	SCM - SBD 9 - Certificate of Independent Bid Determination	Completed and signed	*YES

Item No.	Administrative Requirements	Check/Compliance	Non-submission may result in disqualification?
8	In case of bids where Consortia / Joint Ventures, Consortia/Joint Venture agreement signed by both parties must be submitted with bid proposal	JV agreement completed and signed, if applicable	*YES

***YES** – DEFF reserves the right to reject proposals that are not submitted in the prescribed format or where information presented is illegible or incomplete and will not be further evaluated for Specifications (Phase 2)

****NO** – DEFF reserves the right to request such information during the evaluation process of the proposal and such information must be presented within short notice.

8.3 PHASE 2: Pre-Qualification Criteria

8.3.1 The following pre-qualification criteria will apply and all bids that do not meet pre-qualification requirements will be disqualified and will not be evaluated further on other requirements. Bidders are required to submit required documents and to answer/ tick **YES/ NO** and attach a proof.

	REQUIREMENT	COMPLY	
		YES	NO
PRE-QUALIFICATION CRITERIA	<ul style="list-style-type: none"> ▪ Only service provider (s) who are registered as B-BBEE Status level from 1-8 of B-BBEE Status Level of contributor will be considered for this bid as per Preferential Procurement Regulations 2017. ▪ Service Provider/s are requested to submit the original and valid B-BBEE Status Level Verification Certificate issued by SANAS Accredited Verification Agency or certified copies thereof; or B-BBEE Certificate issued by CIPC or Sworn Affidavit commissioned by Commissioner of Oaths together with their bids, to substantiate their B-BBEE rating claims. SBD 6.1 must also be duly completed, signed, and submitted alongside the bid to claim preference points. Failure to do so will result in B-BBEE preference points being forfeited. 		

8.4 PHASE 3: Functionality Criteria

8.4.1 Only bid proposals that meets pre-compliance and pre-qualification criteria will be considered to be evaluated on functionality criteria.

8.4.2 **Phase 3:** The bidder must score a minimum of **75%** during Phase 5 (functionality / technical) of the evaluation to qualify for **Phase 4** of the evaluation where only points for price and B-BBEE will be considered.

8.4.3 The following values/ indicators will be applicable when evaluating functionality:

0 = Non-compliance, 1 = Poor; 2 = Fair; 3 = Average; 4 = Good; 5 = Excellent.

Category		Weight														
GUIDELINES FOR CATEGORY CRITERIA	FUNCTIONALITY (GUIDELINES FOR CRITERIA APPLICATION)															
A proposed project plan, Methodology and Management of the project in conducting a feasibility study on Public Private Partnership (PPP).	<p>Service Provider are required to provide a detailed project plan with intermediate and final outputs and identified timeframes/ milestones, methodology and management of the project in conducting a feasibility study on Public Private Partnership (PPP).</p> <table border="1"> <thead> <tr> <th>Project plan, methodology and project management in conducting a feasibility study.</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>Project plan and methodology action well broken down; with detailed objectives and milestones.</td> <td>5</td> </tr> <tr> <td>Project plan and methodology, action identification basic; clear objectives and clear milestones.</td> <td>4</td> </tr> <tr> <td>Action plan provided with no deliverables and timeframes.</td> <td>3</td> </tr> <tr> <td>Limited information provided on the action plan</td> <td>2</td> </tr> <tr> <td>Task not well understood.</td> <td>1</td> </tr> <tr> <td>No information provided</td> <td>0</td> </tr> </tbody> </table>	Project plan, methodology and project management in conducting a feasibility study.	Indicator	Project plan and methodology action well broken down; with detailed objectives and milestones.	5	Project plan and methodology, action identification basic; clear objectives and clear milestones.	4	Action plan provided with no deliverables and timeframes.	3	Limited information provided on the action plan	2	Task not well understood.	1	No information provided	0	20
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Limited information provided on the action plan	2															
Task not well understood.	1															
No information provided	0															
Company's experience and track record in provision of transaction advisory services	<p>Bidder (s) are required to demonstrate relevant past experience and competency of the company and should submit full details of experience in transaction advisory and provide reference letters of at least three most recent work performed. The letters must be from the institution where the work was performed and must include start and end period of the project and contactable reference.</p> <table border="1"> <thead> <tr> <th>Company experience in Public Private Partnership (PPP) feasibility study/ transaction advisory and track record</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>10 years and above years 'or more experience</td> <td>5</td> </tr> <tr> <td>6- 9 years' experience</td> <td>4</td> </tr> <tr> <td>3-5 years' experience</td> <td>3</td> </tr> <tr> <td>1-3 years' experience</td> <td>2</td> </tr> <tr> <td>0-1 years' experience</td> <td>1</td> </tr> <tr> <td>No experience</td> <td>0</td> </tr> </tbody> </table>	Company experience in Public Private Partnership (PPP) feasibility study/ transaction advisory and track record	Indicator	10 years and above years 'or more experience	5	6- 9 years' experience	4	3-5 years' experience	3	1-3 years' experience	2	0-1 years' experience	1	No experience	0	15
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1-3 years' experience	2															
0-1 years' experience	1															
No experience	0															

Qualification of Finance Lead Advisor to be assigned to the project	<p>Bidder (s) are required to submit the qualifications and proof of registration of the lead advisor (if registered) to demonstrate that they have the necessary financial skills expertise to undertake and successfully complete the project. .</p> <table border="1" data-bbox="395 264 1241 566"> <thead> <tr> <th>Qualification of the Finance Lead Advisor</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>Masters and above</td> <td>5</td> </tr> <tr> <td>Honours and professional registration</td> <td>4</td> </tr> <tr> <td>Honours</td> <td>3</td> </tr> <tr> <td>Degree</td> <td>2</td> </tr> <tr> <td>Diploma</td> <td>1</td> </tr> <tr> <td>No qualification submitted</td> <td>0</td> </tr> </tbody> </table>	Qualification of the Finance Lead Advisor	Indicator	Masters and above	5	Honours and professional registration	4	Honours	3	Degree	2	Diploma	1	No qualification submitted	0	10
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<p>Experience of Legal Lead Advisor to be assigned to the project</p>	<p>Bidder (s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project and should submit comprehensive Curriculum vitae (CV) of the Legal Lead Advisor. Curriculum vitae are to include specific details of these individuals including, inter alia, relevant experience and to include three contactable reference, technical qualifications and past experience in legal.</p> <table border="1" data-bbox="395 322 1238 618"> <thead> <tr> <th>Experience of the lead advisor</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>10 years and above</td> <td>5</td> </tr> <tr> <td>6- 9 years</td> <td>4</td> </tr> <tr> <td>3- 5 Years</td> <td>3</td> </tr> <tr> <td>1-3 years</td> <td>2</td> </tr> <tr> <td>1 years</td> <td>1</td> </tr> <tr> <td>No experience</td> <td>0</td> </tr> </tbody> </table>	Experience of the lead advisor	Indicator	10 years and above	5	6- 9 years	4	3- 5 Years	3	1-3 years	2	1 years	1	No experience	0	<p>10</p>
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<p>Qualification of Forestry Lead Advisor to be assigned to the project</p>	<p>Bidder (s) are required to submit the qualifications and proof of registration of the lead advisor (if registered). demonstrate that they have the necessary technical skills to undertake and successfully complete the project</p> <table border="1" data-bbox="395 790 1238 1093"> <thead> <tr> <th>Qualification of the lead advisor</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>PhD</td> <td>5</td> </tr> <tr> <td>Masters</td> <td>4</td> </tr> <tr> <td>Honours</td> <td>3</td> </tr> <tr> <td>Degree</td> <td>2</td> </tr> <tr> <td>Diploma</td> <td>1</td> </tr> <tr> <td>No qualification submitted</td> <td>0</td> </tr> </tbody> </table>	Qualification of the lead advisor	Indicator	PhD	5	Masters	4	Honours	3	Degree	2	Diploma	1	No qualification submitted	0	<p>10</p>
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No qualification submitted	0															
<p>Experience of Forestry Lead Advisor to be assigned to the project</p>	<p>Bidder (s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project, and should submit comprehensive Curriculum vitae (CV) of the Forestry Lead Advisor. Curriculum vitae are to include specific details of these individuals including, inter alia, relevant experience and to include three contactable reference, technical qualifications and past experience in forestry.</p> <table border="1" data-bbox="395 1323 1238 1619"> <thead> <tr> <th>Experience of the Forestry Lead Advisor</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>10 years and above</td> <td>5</td> </tr> <tr> <td>6- 9 years</td> <td>4</td> </tr> <tr> <td>3- 5 Years</td> <td>3</td> </tr> <tr> <td>1-3 years</td> <td>2</td> </tr> <tr> <td>1 years</td> <td>1</td> </tr> <tr> <td>No experience</td> <td>0</td> </tr> </tbody> </table>	Experience of the Forestry Lead Advisor	Indicator	10 years and above	5	6- 9 years	4	3- 5 Years	3	1-3 years	2	1 years	1	No experience	0	<p>10</p>
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1 years	1															
No experience	0															

Experience of the company in Negotiation skills, stakeholder engagement and experience in dealing with community dynamics.	Bidder (s) are required to demonstrate relevant past experience and competency of the company and should submit full details of, and at least three reliable contactable signed references for, projects of a similar scope which were successfully completed in the previous years in dealing with stakeholders.	5														
	<table border="1"> <thead> <tr> <th>Experience of the lead advisor</th> <th>Indicator</th> </tr> </thead> <tbody> <tr> <td>10 years and above</td> <td>5</td> </tr> <tr> <td>6- 9 years</td> <td>4</td> </tr> <tr> <td>3- 5 Years</td> <td>3</td> </tr> <tr> <td>1-3 years</td> <td>2</td> </tr> <tr> <td>1 years</td> <td>1</td> </tr> <tr> <td>No experience</td> <td>0</td> </tr> </tbody> </table>		Experience of the lead advisor	Indicator	10 years and above	5	6- 9 years	4	3- 5 Years	3	1-3 years	2	1 years	1	No experience	0
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1 years	1															
No experience	0															
Total points on functionality		100														

8.4 PHASE 4: Preference Point System

- 8.4.1 The bid will be evaluated on two envelope system; first evaluation will be conducted on technical proposals only.
- 8.4.2 All bid proposal that achieved a minimum of **75%** on functionality their price will be open and evaluated further on preference point system of **80/20**.
- 8.4.3 All bidder who failed to achieve a minimum requirement on functionality their pricing schedule will be returned unopened.
- 8.4.4 The **fifth phase** is to perform an evaluation of Price and BBBEE on the bidders, that successful qualified on phase 4 (functional evaluation).
- 8.4.5 **Calculation of points for price** - The PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis. Where functionality is set as criteria, only bid proposals that meets functionality requirements will be considered to be evaluated on price and B-BBEE.
- 8.4.6 **Calculating of points for B-BBEE status level of contribution** - Points will be awarded to a bidder for attaining the B-BBEE status level of contribution or a sworn affidavit certified by the commissioner of oath in accordance with the table below:

Phase 4: The following table must be used to calculate the B-BBEE scores (80/20)	
PRICE	
B-BBEE Status Level Contributor	Number of points (80/20)
1	20
2	18

Phase 4: The following table must be used to calculate the B-BBEE scores (80/20)	
PRICE	
3	14
4	12
5	8
6	6
7	4
8	2
Non –compliant contributor	0

9 BID SUBMISSION REQUIREMENTS

- 9.1. Bidders should ensure that the following submission requirements, which will be needed for evaluation purposes are included in their bid proposal and are as follows:
- 9.1.1. The service provider must draft a table of content which will indicate where each document is located in the proposal
 - 9.1.2. The proposal shall consist of two parts, namely the technical bid and the pricing bid.
 - 9.1.3. The information in the CV of the proposed Team Leader and Team Members should include relevant experience in the chosen area of expertise.
 - 9.1.4. Project reference letter specifying the role played by the service provider or lead advisor in the listed projects or assignments, project value and the duration of the project (start and end date).
 - 9.1.5. A detailed Project Plan with clear indication of who will be responsible for the management of the assignment as well as its execution. The allocation of team members on the assignments should be based on the experience in delivering the scope of work as listed.
 - 9.1.6. Standard bidding documents (SBD1, 3.3, 4, 6.1, 8 and 9).
 - 9.1.7. Tax compliance status requirements and/ or Central Supplier Database (CSD) number or report.
 - 9.1.8. Certified copies of identity documents of directors and shareholders of the company.
 - 9.1.9. Entity registration Certificate (CK1).
 - 9.1.10. Letter of Authority to sign documents on behalf of the company.

10. SPECIAL CONDITIONS OF CONTRACT

- 10.1. On appointment, the performance measures for the delivery of the agreed services will be closely monitored by Project Manager.
- 10.2. The Service Provider will submit monthly and quarterly progress reports to the Project Manager, within 4 days after the end of each month for the duration of the project, submitted in both soft and hard copies. Failure to submit the required reports on time will result in penalties.

- 10.3. DFFE will not be held responsible for any costs incurred by the service providers in the preparation, presentation and submission of the proposal.
- 10.4. The Project Manager shall do the ongoing management of the Service Level Agreement (SLA).
- 10.5. The Service Provider must guarantee the presence of the Team Leader in charge of programme throughout the duration of the contract.
- 10.6. All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract the special conditions of contract will prevail.
- 10.7. The copy Tax Clearance Certificate must be submitted together with the proposal.
- 10.8. The proposals should be submitted with all required information containing technical information.
- 10.9. Bidders failing to meet pre-qualification will automatically be disqualified.
- 10.10. Service Provider/s are requested to submit the original and valid B-BBEE Status Level Verification Certificate issued by SANAS Accredited Verification Agency or certified copies thereof; or B-BBEE Certificate issued by CIPC or Sworn Affidavit commissioned by Commissioner of Oaths together with their bids, to substantiate their B-BBEE rating claims. SBD 6.1 must also be duly completed, signed, and submitted alongside the bid to claim preference points. Failure to do so will result in B-BBEE preference points being forfeited.
- 10.11. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate proposal.
- 10.12. In the event that the application is made by a Joint Venture or Partnership, the accreditation credentials in name of joined entity should be submitted. Both members in the joint venture must meet the requirement of the proposal.
- 10.13. Poor or non-performance by the bidder will result in cancellation of works orders.
- 10.14. The Department will conduct have a non-compulsory clarification/ briefing meeting, and details in this regard will be published with the advertisement.

11. SUB-CONTRACTING CONDITIONS/ REQUIREMENTS

- 11.1. In a case a tenderer is intending to sub-contract portion of work, such tenderer awarded a contract may only enter into sub-contracting arrangements with the approval of the department.
- 11.2. In relation to a designated sector, a contractor will not be allowed to subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 11.3. A tenderer will not be awarded the points claimed for B-BBEE status level of contribution or contract if it is indicated in the bid documents that such a bidder intends subcontracting more that 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that

the bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

- 11.4. The contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have equal or higher B-BBEE status level, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

12. PAYMENT TERMS

- 12.1. DEFF undertakes to pay out in full or as per deliverables within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the Service Provider/s until that outstanding information is submitted.

13. TECHNICAL ENQUIRIES

- 13.1. Should you require any further information in this regard, please do not hesitate to contact:

Name : Mr. Matodzi Luvhimbi
Office Telephone No. : 012 309 5760
E-Mail : mluvhimbi@environment.gov.za

Name : Ms Onica Zikhali
Office Telephone No. : 012 309 5757
E-Mail : ozikhali@environment.gov.za

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

Js General Conditions of Contract (revised July 2010)



DEPARTMENT OF ENVIRONMENTAL AFFAIRS

BAS ENTITY MAINTENANCE FORM

Head Office Only	
Date Received	_____
Safetynet Capture	_____
Safetynet Verified:	_____
BAS/LOGIS Capt	_____
BAS/LOGIS Auth	_____
Supplier No.	_____

The Director General

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that no additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post.

Please ensure information is validate as per required bank screens .

I/We understand that bank details provided should be exactly as per record held by the banks.

I/We understand that the Department will not held liable for any delayed payments as a result of incorrect information supplied.

Company / Personal Details											
Registered Name	<input style="width: 100%;" type="text"/>										
Trading Name	<input style="width: 100%;" type="text"/>										
Tax Number	<input style="width: 100%;" type="text"/>										
VAT Number	<input style="width: 100%;" type="text"/>										
Title:	<input style="width: 100%;" type="text"/>										
Initials:	<input style="width: 100%;" type="text"/>										
Full Names	<input style="width: 100%;" type="text"/>										
Surname	<input style="width: 100%;" type="text"/>										
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Address Detail											
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Address (Compulsory if Supplier)											
New Detail											
<input type="checkbox"/> New Supplier information	<input type="checkbox"/> Update Supplier information										
Supplier Type:	<input type="checkbox"/> Individual <input type="checkbox"/> Department <input type="checkbox"/> Partnership <input type="checkbox"/> Company <input type="checkbox"/> Trust <input type="checkbox"/> CC <input type="checkbox"/> Other (Specify)										
Department Number	<input style="width: 100%;" type="text"/>										

Supplier Account Details (To be Verified by the bank, please attach bank letter or 3 months bank statement)

(Please note that this account MUST be in the name of the supplier. No 3rd party payments allowed).

Account Name

Account Number

Branch Name

Branch Number

Bank screen info

ABSA-CIF screen
FNB-Hogans system on the CIS4/CUPR
STD Bank-Look-up-screen
Nedbank- Banking Platform under the Client Details Tab

Account Type

Cheque Account
 Savings Account
 Transmission Account
 Bond Account
 Other (Please Specify)

ID Number

Passport Number

Company Registration Number

*CC Registration

***Please include CC/CK where applicable**

Bank Stamp

Supplier Contact Details

Business

Area Code Telephone Number Extension

Home

Area Code Telephone Number Extension

Fax

Area Code Fax Number

Cell

Cell Code Cell Number

Email Address

Contact Person:

Supplier Signature

Print Name

Date (dd/mm/yyyy)

NB: All relevant fields must be completed