



## GOVERNMENT FLEET MANAGEMENT SERVICES TRADING ENTITY

**BID NO: SCMU 10-GFMS – 2022/23-0008**

**BID DESCRIPTION: APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY’S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY (24) FOUR MONTHS**

### BID DOCUMENT

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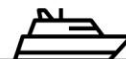
#### ISSUED BY

DEPARTMENT OF TRANSPORT GOVERNMENT FLEET MANAGEMENT SERVICES-  
TRADING ENTITY  
GROUND FLOOR OLD CASTELLANO BUILDING  
25 BROOKLYN ROAD  
WOOD BROOK  
EAST LONDON

**NAME OF BIDDER:** \_\_\_\_\_

**CSD NUMBER:** \_\_\_\_\_

<b>CLOSING DATE</b>	<b>23 NOVEMBER 2022</b>
<b>CLOSING TIME</b>	<b>11: 00</b>
<b>LATE BIDS, FAXED BIDS AND E-MAILED BIDS SHALL BE REJECTED.</b>	



**CHECKLIST (PLEASE TICK THE RELEVANT BOX)**

<b>DOCUMENTS</b>	<b>PAGE</b>	<b>YES</b>	<b>NO</b>
1. SECTION 1: BID NOTICE	3-4		
2. SECTION 2: FORMS TO BE COMPLETED BY THE BIDDER	5 - 22		
3. SECTION 3: CONDITIONS OF THIS BID	23 - 34		
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**SECTION 1:**  
**BID NOTICE**

## **BID NOTICE NO.: SCMU10-GFMS – 2022/23-0008**

**BIDS ARE HEREBY INVITED FOR THE APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY'S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY FOUR (24) MONTHS**

1. Bids documents will be available on the Eastern Cape Department of Transport website from the **28 OCTOBER 2022** and can be downloaded from the website on [www.ectransport.gov.za](http://www.ectransport.gov.za) (Procurement/bid notices).
2. This bid will be evaluated based on the 80/20 Preferential Point System as prescribed in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and it's Preferential Procurement Regulations, 2017 thereto.
3. The completed Bid documents must be placed in a sealed envelope, clearly marked with the Bid number and the **Nature of the Service** required and must be deposited in the **Bid Box situated at Ground floor, GFMS Trading Entity, No. 25 Brooklyn Road, Wood Brook, East London, not later than 11H00 on 23 November 2022** where the bids will be opened in public.

### **DISCLAIMER**

The bid box is accessible from Monday to Friday 8:00 am to 16:00

Bidders are to note that Castellano Building is a shared building which is occupied by 3 different institutions, namely;

1. GFMS Trading Entity,
2. the EC Dept. of Health Amathole District and
3. Dept. of Transport Amathole District.

**BIDDERS MUST ENSURE THAT THE BID DOCUMENTS ARE DEPOSITED IN THE GFMS TRADING ENTITY BID BOX AS FAILURE TO DEPOSIT THE BID DOCUMENTS IN THE CORRECT BID BOX WILL INVALIDATE YOUR BID. ONLY DOCUMENTS DEPOSITED IN THE GFMS TENDER / BID BOX SITUATED AT THE ADDRESS MENTIONED ABOVE WILL BE CONSIDERED.**

**Where the bidders makes use of a courier services company, the bidder must ensure that the courier deposits the bid in the correct bid box before the closing time of the bid.**

4. There will be no Bid briefing session for this project.

Enquiries relating to this bid should be made in writing to Contact persons: Ms N. Ncipha at 0437312892; [nandipha.ncipha@ectransport.gov.za](mailto:nandipha.ncipha@ectransport.gov.za) or Ms. P. Solwandle at 0437312892; [phila.solwandle@ectransport.gov.za](mailto:phila.solwandle@ectransport.gov.za)

### **Technical enquiries:**

Project Manager: - Mr Uriel Klaas on 060 989 4592; [uriel.klaas@ectransport.gov.za](mailto:uriel.klaas@ectransport.gov.za)

**SECTION 2:**  
**FORMS TO BE COMPLETED BY THE BIDDER**

**BID FORM**

<b>Bid No:</b> SCMU10-GFMS – 2022/23-0008
<b>Closing time and date:</b> 23 November 2022 at 11:00

This bid shall remain valid for a period of One Hundred and twenty **(120)** days calculated from the closing date of the bid.

I/We the \*undersigned hereby offer to the Eastern Cape Department of Transport Government Fleet Management Services Trading Entity herein represented by the Accounting Officer (hereinafter referred to as the “.....”, to provide all the personnel, equipment and everything which is or may be necessary for the **APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY’S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY (24) FOUR MONTHS**

in execution of the abovementioned Contract in accordance with the Terms of Reference, Conditions of Contract and subject to the Bid Conditions, to the entire satisfaction of the Accounting Officer for the Bid Price (including VAT) of:

BID PRICE:	R.....
15% VAT	R.....
TOTAL	R.....

Full Trading Name:.....

Address (Business):.....  
 .....

Telephone No (Business):.....

Telex/Fax No:.....

Bankers (specify branch and telephone No):.....

CSD Registration number:.....

I/We acknowledge that I/we am/are fully acquainted with the contents of the Bid Conditions and that I/we accept the conditions in all respects.

I/We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of my/our bid and that I/we elect domicilium citandi et executandi in the Republic at:

.....  
 .....

Has the declaration of interest (SBD4) been duly completed?  
 and included with the other bid forms?

Yes		No	
-----	--	----	--

Any bid received which does not include unit prices, itemized prices or any relevant information as requested in the specification may be rejected.

.....  
NAME OF BIDDER OF BIDDER

.....  
SIGNATURE

.....  
CAPACITY

.....  
DATE

.....  
WITNESS

.....  
PLACE

COMPANY STAMP

SIGNATURE OF BIDDER

**SBD1**

**PART A  
 INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (GOVERNMENT FLEET MANAGEMENT SERVICES TRADING ENTITY)</b>					
BID NUMBER:	<b>SCMU10-GFMS – 2022/23-0008</b>	CLOSING DATE:	<b>23 NOVEMBER 2022</b>	CLOSING TIME:	11:00
DESCRIPTION	<b>APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES-TRADING ENTITY'S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY(24) FOUR MONTHS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>GOVERNMENT FLEET MANAGEMENT SERVICES TRADING ENTITY BID BOX</b>					
<b>CASTELLANO BUILDING, GROUND FLOOR</b>					
<b>25 BROOKLYN ROAD</b>					
<b>WOODBROOK, EAST LONDON, 5201</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	<b>PHILA SOLWANDLE</b>		CONTACT PERSON	<b>URIEL KLAAS</b>	
TELEPHONE NUMBER	<b>0437312892</b>		TELEPHONE NUMBER	<b>060 989 4592</b>	
FACSIMILE NUMBER	<b>N/A</b>		FACSIMILE NUMBER	<b>N/A</b>	
E-MAIL ADDRESS	<a href="mailto:phila.solwandle@ctransport.gov.za">phila.solwandle@ctransport.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:Uriel.klaas@ctransport.gov.za">Uriel.klaas@ctransport.gov.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					



SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]
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**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?  YES  NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 NO  YES

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  
 YES  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.**

**SBD1**

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.  1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>  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. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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 <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .  2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.  2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.  2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.  2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

**SBD 3.3**

**PRICING SCHEDULE  
 (Professional Services)**

<b>NAME OF BIDDER:</b> .....	<b>BID NO.:</b> SCMU 10-GFMS-22/23-0008
<b>CLOSING TIME:</b> 11:00	<b>CLOSING DATE:</b> 23 NOVEMBER 2022

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R.....	.....days
	.....	R.....	.....days
	.....	R.....	.....days
	.....	R.....	.....days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY
	.....		AMOUNT
	.....		.....R.....
	.....		.....R.....
	.....		.....R.....
	.....		.....R.....
			TOTAL: R.....

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

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

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

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

7. Estimated man-days for completion of project .....

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

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

**\*[DELETE IF NOT APPLICABLE]**

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Any enquiries regarding bidding procedures may be directed to the –  
 (INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

**BIDDER'S DISCLOSURE**

**1. PURPOSE OF THE FORM**

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

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

**2. BIDDER'S DECLARATION**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise,

employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

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

.....  
.....

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

2.3.1 If so, furnish particulars:  
.....  
.....

**3. DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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<sup>2</sup> 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.

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 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.**

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**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

1.2 The value of this bid is estimated to be less than R50 000 000 (all applicable taxes included) and therefore either the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	<b>POINTS</b>
<b>PRICE</b>	80
<b>B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a Code of Good Practice on black economic empowerment issued in terms of section 9 (1) of the Broad Based Black Economic Empowerment Act ;



- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents;
- (g) **“Prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means;
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

**3. POINTS AWARDED FOR PRICE**  
**3.1 THE 80/20 PREFERENCE POINT SYSTEMS**

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

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

Where

- Ps = Points scored for comparative price of bid under consideration
- Pt = Comparative price of bid under consideration
- Pmin = Comparative price of lowest acceptable bid

**4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION**

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

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

**5. BID DECLARATION**

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

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

6.1 B-BBEE Status Level of Contribution: ..... = .....(maximum of 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? YES / NO (delete which is not applicable)

7.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?.....%
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME or QSE?

(Tick applicable box)

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

(v) specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Procurement Regulations, 2017;

Preferential

Designated Group: An EME or QSE which is at least 51% owned	EME	QSE
by:	√	√
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 contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 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 contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who

acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and

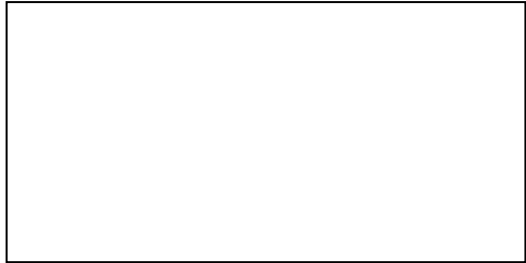
(e) forward the matter for criminal prosecution

SIGNATURE OF BIDDER(S)

**WITNESSES:**

1. ....

2. ....



DATE:.....

ADDRESS:.....

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number: **SCMU10-GFMS-2022/23-0008** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract and
  - (ii) General Conditions of Contract.
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorized to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

<b>WITNESSES</b>	
1	.....
2	.....
DATE: .....	

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I.....in my capacity as.....accept your bid under reference number **SCMU10-GFMS – 2022/23-0008** dated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE APPLICABLE (ALL TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY'S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY FOUR (24 )MONTHS				

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1 .....

2 .....

**SECTION 3:**  
**CONDITIONS OF THIS BID**

## CONDITIONS OF THIS BID

### 1. HOURS

The estimated hours on the pricing schedule are for evaluation purposes only.

### 2. PRICING

Quoted rate per hour to be inclusive of all applicable costs related to successful execution of the contract.

### 3. BID FORMS

All bids shall be made on the bid forms incorporated in this document.

### 4. EVIDENCE OF EXPERIENCE OF BIDDERS

Bidders shall give satisfactory evidence of actual experience in the class of work for which they are bidding, incorporating the following details on ANNEXURE A on page 41 of bid document

Employer for whom the work was performed;

Nature of work;

Value of work;

Duration of Contract;

Contactable references;

### 5. COMPLETION OF BIDS

The Bidder shall complete in full all forms in **black ink**. All returnable document copies requested in this bid must be certified for not older than 6 months

The following forms must be fully completed, signed and submitted with the bid:

- a) Bid Form
- b) SBD 1 [Invitation to Bid]
- c) SBD 3.3[Pricing Schedule – Professional Services]
- d) SBD 4 [Declaration of Interest]
- e) SBD 6.1 [SBD 6.1 [Preference Point Form]
- f) SBD 7.2 Part 1[Contract Form]
- g) **Bid Pricing Form and the Pricing Schedule**

Where the bid is completed by a delegated authority a Letter of Authority to sign on behalf of the bidder must be attached.

### 6. SUBMISSION OF BIDS

Each Bidder is required to return the complete set of bid documents with all the required information and complete in all respects.

Bidders shall not tamper with the bid documents which shall be submitted as issued. Any bid documents found to have been tampered with will be deemed to be unacceptable.

**The bid box is accessible from Monday to Friday 8:00 am to 16:00**



Bidders are to note that Castellano Building is a shared building which is occupied by 3 different institutions, namely;

1. GFMS Trading Entity,
2. the EC Dept. of Health Amathole District and
3. Dept. of Transport Amathole District.

**BIDDERS MUST ENSURE THAT THE BID DOCUMENTS ARE DEPOSITED IN THE GFMS TRADING ENTITY BID BOX AS FAILURE TO DEPOSIT THE BID DOCUMENTS IN THE CORRECT BID BOX WILL INVALIDATE YOUR BID. ONLY DOCUMENTS DEPOSITED IN THE GFMS TENDER / BID BOX SITUATED AT THE ADDRESS MENTIONED BELOW WILL BE CONSIDERED.**

Where the bidders makes use of a courier services company, the bidder must ensure that the courier deposits the bid in the correct bid box before the closing time of the bid.

**BIDDERS SHALL PLACE THEIR BIDS, IN SEALED ENVELOPES CLEARLY MARKED:**

**BID NO.:** SCMU10- GFMS-2022/23- 0008 APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY'S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY FOUR (24) MONTHS.

With the Bidder's name and address, shall be deposited in the Bid Box at reception **Castellano Building, Eastern Cape Department of Transport, No.25 Brooklyn Road, Wood Brook, East London not later than 11:00 on the 23 November 2022.**

Bids shall be opened in public at the time specified as the closing time on this bid document. Late bids, faxed and e-mailed bids shall be rejected.

## **7. BID VALIDITY PERIOD**

Bids must remain valid for a period of one hundred and twenty (**120**) days from the closing date of the bid.

## **8. OBLIGATIONS OF THE DEPARTMENT**

### **8.1 Information**

The Department shall furnish data and information and give such assistance as shall reasonably be required, for the carrying out by the Service Provider of its duties under this Contract. In the event that the Service Provider would require additional information, the bidder shall request such information from the Department in writing.

### **8.2 COMMENCEMENT, COMPLETION, ALTERATION AND TERMINATION OF CONTRACT**

#### **8.2.1 Commencement**

The Contract is effective from the date of receipt of a Letter of Acceptance from the Service Provider and signing of Service Level Agreement by both parties before commencement of work.

#### **8.2.2 Variations**

This Contract shall not be varied or amended unless such variation or amendment is agreed in writing and signed by duly authorized representatives of the Department and the Service Provider.

## **9. OTHER PROVISIONS**

### **9.1 Law and jurisdiction**

The contract shall be considered as a contract made in the Republic of South Africa and in accordance with South African Law.

### **9.2 Changes in legislation**

If after the date of the contract, the cost or duration of the services is altered as a result of changes in, or additions to, any statute, regulation or by-law, or the requirements of any authority having jurisdiction over any matter in respect of the project, then the remuneration and time for completion shall be adjusted in order to reflect the impact of those changes as agreed in writing by both parties.

### **9.3 Succession**

The Contract shall be binding on the successors in title, assignees, administrators, executors and heirs of either party.

10. GFMS does not bind its self to accept the lowest Bid or any other Bid and reserves the right to accept the whole or part of the Bid.

## **11. ALTERATION OR WITHDRAWAL OF BID/PROPOSALS**

Bidders may withdraw their proposal by written notification on or before the date of award.

Mistakes made by the Bidder in the completion of the forms shall not be erased. A line shall be drawn through the incorrect entry and the correct entry shall be written above and the correction initialled by the Bidder.

Documents corrected with correction fluid will not be accepted. Failure to observe this rule will lead to the bid being disqualified.

All pages of the bid document must be submitted on the official forms provided, not retyped or online. Bids shall be ineligible for consideration unless submitted on the forms bound in this document. No unauthorized amendment shall be made to the bid forms or to any other part of the bid document. If any such amendments are made, the bid **shall** be rejected.

A bid shall not be considered if alterations have been made to the bid forms or to any part of the bid document. If any such amendments are made, the bid **shall** be rejected.

## **12. COSTS FOR PREPARATION OF BID/PROPOSALS/PRESENTATIONS**

The costs incurred by Bidders in respect of the attendance of any briefing or presentation meetings if necessary or costs incurred in preparing any proposal will be borne by the Bidder and GFMS shall in no way be liable to reimburse such costs incurred.

## **13. BID DOCUMENT/PROPOSALS AND PRESENTATIONS**

GFMS shall on receipt of any proposal relating to this request, and submitted in accordance with the procedure set out herein, shall become the owner thereof and GFMS shall not be obliged to return any proposal.

## **14. TAX CLEARANCE CERTIFICATE REQUIREMENTS AND VALUE ADDED TAX (VAT) REQUIREMENTS**

It is a condition of all bids inclusive of foreign bidders / individuals) that the South African taxes of the successful bidder must be in order. Bidder are required to provide their CSD Number in order for GFMS to verify the Tax Compliance Status.

Where the preferred bidders tax status is not compliant, the bidder will be granted 7 working days' to remedy the tax matters. Should the bidder fail to provide written proof that tax matters have been rectified, the bidder will be disqualified

In Bids where Consortia/Joint venture/Sub-Contractors are involved, each party must submit a separate proof of Tax Compliance Status Certificate/SARS Pin Number/CSD Number.

In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za)

Prices included by VAT vendors must be inclusive of VAT. The prices quoted by VAT vendors which exclude VAT will be deemed to include VAT as stipulated in Section 64(1) of the VAT Act which reads:

*'Any price charged by any vendor in respect of any taxable supply of goods or services shall for the purposes of this Act be deemed to include any tax payable in terms of section 7 (1) (a) in respect of such supply, whether or not the vendor has included tax in such a price.*

In all instances where bidders have excluded VAT from the prices quoted, such prices will be evaluated excluding VAT and if the bidder is successful, the letter of award of contract will clearly state that the price at which the contract is awarded is exclusive of VAT and that VAT will not be added on any stage. *The successful bidder will have to absorb the adverse financial implications of not including the VAT in the quoted price.*

## **15. CONFIDENTIALITY**

The entire process of calling for Bids was initiated by GFMS in terms of its procurement policy and is confidential. All deliberations in respect of the acceptability or otherwise of the bid/proposals shall be conducted in closed sessions and members of the Evaluation and Adjudication Committees and prospective service providers are bound to treat all discussions as highly confidential.

The service provider shall not divulge directly or indirectly to any other person than a person employed by GFMS, make copies or extracts of any of the information obtained during this assignment, while they may have access to GFMS's trade secrets, confidential information which may include, specifications, plans, drawings, pattern, samples, written instructions, notes, memoranda, technical information, know-how or process or method or any other records of whatsoever nature without the written consent of GFMS and shall surrender all these items to GFMS on termination of the assignment or on demand of GFMS.

The service provider shall not be entitled to make use of the information whether for its own benefit or that of others, to make available or derive any profit from any of the information or knowledge specifically related to the business or affairs of GFMS.

Any document, shall remain the property of GFMS and shall be returned (all copies) to GFMS on completion of the contract if so required by GFMS.

## **16. INVENTIONS PATENT AND COPY-RIGHTS**

The service provider cedes, assigns and transfers to GFMS all rights, title and interest in and to any and all copyright in all works and inventions which relates to the business of GFMS (which includes, but is not limited to, methodologies and products) which arises within the course and scope of this services will be assigned to GFMS. Provide GFMS the sole and exclusive right to alter and adapt the work. The service provider shall indemnify GFMS 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 GFMS.

## 17. ETHICS

Any attempt by an interested Bidder to obtain confidential information, or enter into unlawful agreements with competitors or influence the Evaluation Committees or GFMS during the process of examining, evaluating and comparing Bids/Proposals or Quotations will lead to the rejection of its bid/quotation/proposal in its entirety.

The Bidder must declare any business or other interests it has with GFMS or any employee of GFMS, as per the SBD 4 declaration of interest form which forms part of the bid. Failing which the Bidder shall be automatically disqualified from further participation in the Bid or call for proposals. The disqualification will be applicable at any stage of the bidding and / or engagement process.

## 18. COMPETITION

Bidders and their respective officers, employees and agents are prohibited from engaging in any collusive action with respect to the bidding process which serves to limit competition amongst bidders.

In general, the attention of bidders is drawn to Section 4(1) (b) (iii) of the Competition Act 1998 (Act No. 89 of 1998) (the Competition Act) that prohibits collusive bidding.

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.

If bidders have reason to believe that competition issues may arise from any submission of a response to this bid invitation they may make, they are encouraged to discuss their position with the competition authorities before submitting response.

Any correspondence or process of any kind between bidders and the competition authorities must be documented in the responses to this invitation to bid.

The disqualification will be applicable at any stage of the bidding and / or engagement process.

If a bidder (s) or contractor (s), based on reasonable grounds or evidence obtained by GFMS, has /have engaged in the restrictive practice referred to above, GFMS may refer the matter to the Competition Commission for investigation and possible imposition of an administrative penalty as contemplated in Section 59 of the Competition Act 89 of 1998.

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

## 19. CANCELLATION OF BID PROCESS

GFMS shall be entitled, within its sole and entire discretion, to cancel this Bid/Call for Proposals and/or Quotations at any time and shall notify the interested service providers accordingly.

GFMS shall in no way be liable for any damages whatsoever, including, without limitation, damages for loss of profit, in any way connected with the cancellation of this bid. The publication of the bid does not commit GFMS to appoint any of the qualifying Bidders.

## 20. INTERVIEWS

In terms of the bid evaluation process short listed bidders may be interviewed. This will entail the bidder being invited to a venue as determined by the bid committee. All transport and accommodation costs incurred by the bidder will be for the bidders account and will not be reimbursed in any way.

Failure to attend a scheduled interview will lead to immediate disqualification from the bid process. GFMS reserves the right to appoint a bidder without conducting interviews.

## **21. SIGNING OF DOCUMENTATION**

The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

## **22. CONTRACT AWARD**

The successful bidder will be notified of the bid award in writing by the Supply Chain Management Unit.

The acceptance of any proposal shall only be confirmed with the conclusion of a final written signed service level agreement or any other appropriate agreement between GFMS and the successful Bidder, in terms of which the rights and duties of the parties are recorded, which agreement shall regulate the relationship between GFMS and the Successful Bidder.

Until such time that an appropriate agreement has been concluded in writing between GFMS and the successful Bidder, no rights shall be conferred nor shall any legitimate expectations be conferred to the successful Bidder to carry out the works or services provided for in this Bid.

GFMS, the Accounting Officer and the Bid Committee (as the case may be) does not bind itself to accept either the lowest (price), highest (points) or any other bid and reserves the right to accept the bid which it deems to be in the best interest of the Institution even if it implies a waiver by GFMS, the Accounting Officer, or the Bid Committee, (as the case may be) of certain requirements which GFMS, the Accounting Officer, the Bid Committee, (as the case may be) considers to be of minor importance and not complied with by the bidder.

GFMS will not entertain any request of feedback before the final awarding of the contract.

## **23. SUPPLIER DUE DILIGENCE**

GFMS reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

## **24. DISCLAIMER**

This Bid document has been prepared for the purpose of providing information to interested Bidders. The provision of any additional information about the organization to Bidders, are disclosed and will be made available to enable the prospective Bidders to submit comprehensive proposals.

Interested Bidders are accordingly required to conduct their own due diligence in respect of GFMS and its business operations and the nature and scope of the services required.

GFMS accepts no responsibility for the fairness, accuracy or completeness of any information or opinions, for any errors, omissions or misstatements, negligent otherwise, made by any person in this Bid document or at any Compulsory briefing session

GFMS accepts no liability for any loss incurred by any person(s) due to events or action taken as a consequence of the preparation and dissemination of this bid request. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement the bidder shall not be liable to GFMS, 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 bidder to pay penalties and/or damages to GFMS; and the aggregate liability of the bidder to GFMS, 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.

## **25. CONTACT AND COMMUNICATION**

A nominated official of the bidder(s) can make enquiries in writing, to the specified person on the bid

document. Bidder(s) must reduce all telephonic enquiries to writing and send to the above email address. The delegated office of GFMS, Supply Chain Management may communicate with Bidder(s) where clarity is sought in the bid proposal.

Any communication to an official or a person acting in an advisory capacity for GFMS in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged. All communication between the Bidder(s) and GFMS must be done in writing.

Whilst all due care has been taken in connection with the preparation of this bid, GFMS makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. GFMS, and its employees and advisors will not be liable with respect to any information communicated which may not be accurate, current or complete.

If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by GFMS (other than minor clerical matters), the Bidder(s) must promptly notify GFMS in writing of such discrepancy, ambiguity, error or inconsistency in order to give GFMS an opportunity to consider what corrective action is necessary (if any).

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

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

## **26. B-BBEE REQUIREMENTS**

Bidders are required to submit an original or certified copies of the B-BBEE Certificates to validate their status. Bidders who qualify as EME and QSE in terms of B-BBEE Act must submit an **original sworn affidavit** for the purposes of B-BBEE compliance to validate their status and failure to submit an original sworn affidavit, will lead the bidder being regarded as a non-compliant contributor. The sworn affidavit must be signed by the EME or QSE's representative and attested by a Commissioner of oaths. A tenderer/bidder failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE shall not qualify to claim points and will score 0 (zero) on B-BBEE.

## **27. FOREIGN QUALIFICATIONS**

Bidders in possession of a foreign qualification must attach an evaluation certificate from the South African Qualifications Authority (SAQA) in order for their bids to be considered.

<b>EVALUATION CRITERIA</b>
----------------------------

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.

**1.1. EVALUATION CRITERIA**

All submitted bids will be evaluated in the following stages:

<b>Stage 1</b>	<p><b><u>Pre-qualification/ Administrative Compliance</u></b></p> <p><b>Mandatory Requirements</b></p> <p>The Service Providers must meet all the mandatory requirements in order to be evaluated further in Stage 2.</p> <p><b>Failure to meet the mandatory requirements as required will invalidate your bid.</b></p>
<b>Stage 2</b>	<p><b><u>Preferential Procurement points:</u></b></p> <p>Price and B-BBEE Points will be calculated in accordance with the preference point system, 80/20. 80 points will be allocated for price and 20 points will be allocated for B-BBEE.</p>

**1.2. MANDATORY REQUIREMENTS:**

MANDATORY REQUIREMENT	DOCUMENT PROOF MUST BE SUBMITTED WITH BID	SUBMITTED YES/ NO
<p><b>1.</b> The bidder <b>must</b> be registered on the Central Supplier Database (CSD).</p> <p>(No award will be made to persons in the service of the state, restricted or tender defaulting suppliers).</p>	<p><b>None:</b> GFMS will verify bidders on CSD</p>	N/A
<b>2. KEY PERSONNEL QUALIFICATIONS AND ACCREDITATION</b>		
<p><b>Team Leader</b> Minimum SAQA B Degree/Advanced Diploma (NQF level 7) Qualification in Auditing or Accounting.</p>	Attach a certified copy of the academic qualification.	
<p><b>Team Members x 2</b> Minimum SAQA National Diploma (NQF level 6) Qualification in Auditing or Accounting.</p>	Attach a certified copy of the academic qualification.	
<p><b>Junior Member x 1</b> Minimum SAQA National Diploma (NQF level 6) Qualification in Auditing or Accounting.</p>	Attach a certified copy of the academic qualification.	

<p><b>Team Accreditation</b>          The key personnel must be registered and have membership with The Institute of Internal Auditors (IIA)</p>	<p><b>Complete information below</b></p> <p>a) Team Leader Membership Number          _____</p> <p>b) 1 x Team Member Membership Number          _____</p>	
<p><b>3. KEY PERSONNEL EXPERIENCE</b></p>		
<p><b>Team Leader</b>          A minimum of three (3) years' experience as a Manager in Internal Audit.</p>	<p>Attach a comprehensive CV  <i>CV to indicate internal audit experience with clear start and end dates</i></p>	
<p><b>Team Members x 2</b>          A minimum of five (5) years' experience as an in Internal Auditor.</p>	<p>Attach a comprehensive CV  <i>CV to indicate internal audit experience with clear start and end dates</i></p>	
<p><b>Junior Member</b>          A minimum of two (2) years' experience as an in Internal Auditor.</p>	<p>Attach a comprehensive CV  <i>CV to indicate internal audit experience with clear start and end dates</i></p>	
<p><b>4. BIDDER'S EXPERIENCE</b></p>		
<p>The bidder must have been awarded and successfully executed an internal audit contract for a minimum of two (2) years.</p>	<p>Complete Annexure A on page 41</p>	

**NB: CERTIFIED COPIES SHOULD NOT BE OLDER THAN SIX (6) MONTHS.**

**NB: FAILURE TO MEET ANY OF THE ABOVE MANDATORY REQUIREMENTS WILL INVALIDATE THE BID.**

**SPECIAL CONDITIONS OF THE CONTRACT**

- a) The contracted company will be expected to perform on the job skill transfer to internal audit staff.
- b) Should any of the team members/ leader leave the employ of the service provider during the course of contract, the service provider shall replace such a team member/ leader with an equivalent resource skilled and qualified as per the original key personnel criteria in the bid requirements
- c) The service provider will be expected to enter into a Service level agreement with GFMS whereby in the event that non-performance by its key personnel is observed, GFMS will report the matter and demand an equivalent resource skilled and qualified as per the original key personnel criteria in the bid requirements
- d) The service provider must for the duration of the contract provide its team with own working tools necessary to execute the project.
- e) The bidder may be required to attend strategic and operational meetings with GFMS and the Audit Committee



### 1.3 STAGE 2 – PREFERENCE PROCUREMENT POINT EVALUATION CRITERIA

Preference points for this bid shall be awarded for price and the B-BBEE Status Level of Contribution. The maximum points for this bid are allocated as follows:

CRITERIA	POINTS
Price	80
B-BBEE status level of contribution	20
<b>TOTAL POINTS</b>	<b>100</b>

- a) Points awarded for price based will be based on the 80/20 Preference point systems
- b) The points scored by the tenderer/bidder for Price will be added to the points scored for B-BBEE Status Level of Contributor to obtain the bidder's total points scored out of 100 points.
- c) In the event that two or more bids have scored equal total points, the successful bid will be the one scoring the highest number of preference points for B-BBEE.
- d) However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the
- e) Successful bid must be the one scoring the highest score for functionality.
- f) Should two or more bidders/tenderers be equal in all respects, the award shall be decided by the drawing of lots.
- g) The bidder obtaining the highest number of total points will be awarded the contract.
- h) Points scored will be rounded off to the nearest 2 decimal places.
- i) Price:
  - (i) The lowest acceptable bid will score 80 points for price.
  - (ii) The following formula will be used to calculate the points out of 80 for price in respect of the bid/tender.
  - (iii) Preference points for price shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

DETAILS	80/20 PREFERENCE POINT SYSTEM
Rand value (competitive bids or quotations) all applicable taxes included.	<ul style="list-style-type: none"> <li>• Equal and above R30 000 to R50 million, inclusive of all applicable taxes.</li> <li>Below R30 000 if and when considered to be appropriate</li> </ul>
Formulae	$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ <p>                     Ps = Points scored for comparative price of bid / offer under consideration                      Pt = Comparative price of bid / offer under consideration                      Pmin = Comparative price of lowest acceptable bid / offer                 </p>

- j) B-BBEE Status Level of Contribution
  - (i) A maximum of 20 points will be awarded for B-BBEE Status Level of Contribution

(ii) In terms of Regulation 6(2) the following table must be used to calculate the score out

<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>NUMBER OF POINTS (80/20 SYSTEM)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- (iii) The tenderer/bidder must submit proof of its B-BBEE status level contributor. Proof includes original and valid B-BBEE Status Level Verification Certificates issued by a Verification Agency accredited by SANAS or Certified copies thereof. This excludes EME's and QSE's who must submit sworn affidavit in terms of Codes of good practice. The sworn affidavit must be signed by the EME or QSE's representative and attested by a Commissioner of oaths.
- (iv) A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate in order to qualify for points.
- (v) Public entities and tertiary institutions must submit a B-BBEE Status Level Verification Certificate in order to qualify for points.
- (vi) Certificates issued by IRBA and Accounting Officers have been discontinued ; however valid certificates already issued prior 1 January 2017 will be accepted.
- (vii) A tenderer/bidder failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will score 0 (zero) points out of 20 for B-BBEE.
- (viii) A tenderer/bidder may not be awarded points for B-BBEE status level contributor if it is indicated in the bid documents that such a tenderer/bidder intends sub-contracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer/ bidder qualifies for, unless the intended sub-contractor is an EME that has the capability to execute the sub-contract.

**SECTION 4:**  
**TERMS OF REFERENCE**

## PROJECT SPECIFICATIONS

### 1. BACKGROUND

The Department of Transport's Government Fleet Management Services Trading Entity invites bids from reputable Service Providers for a consultant to provide human resources for the capacitation of the Internal Audit Services (IAS) unit in order to execute and complete the approved Internal Audit Operational Plan for a period of twenty-four (24) months. The consultants will be utilized for specific projects.

### 2. SCOPE OF WORK

**The scope of internal audit work entails evaluating the adequacy and effectiveness of the Government Fleet Management Services Trading Entity systems of internal controls this includes:**

- a) Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
- b) Reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations that could have a significant impact on operations, and determine whether the organization is in compliance;
- c) Reviewing the method of safeguarding assets and verifying the existence of assets;
- d) Appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance;
- e) Reviewing operations or programmes to ascertain whether results are consistent with established outcomes and goals and whether the operations or programmes are being carried out as planned;
- f) Reviewing the planning, design, development, implementation and operation of major computer-based systems to determine whether:
  - I. Adequate controls are incorporated in systems
  - II. Thorough systems testing is performed at appropriate stages;
  - III. Systems documentation is complete and accurate; and
  - IV. The needs of users met.
- g) Compile reports to GFMS on findings based on audit work performed and produce an Audit File.
- h) Provide written reports to the Chief Audit Executive (CAE) or Audit Committee regularly on the scope of reviews of good governance and any significant findings
- i) The service provider will be expected to have a Skills Transfer Implementation Plans.
- j) Perform an ICT audit (controls).

#### 2.1 Performance of audit assignments

Assignments are to be performed in accordance with the Entity's internal audit procedures that conform to the Standards for the Professional Practice of Internal Auditing (Institute of Internal Auditors). However, each assignment should consist of the following tasks:

- a) audit preparation;
- b) preliminary survey (including risk assessment);
- c) review of internal controls;
- d) audit testing;
- e) development of findings and recommendations;
- f) obtaining management responses; and
- g) Reporting.

- h) All procedures and working papers of all projects must be made available to CAE during and on completion of projects.

## **2.2 Quality Assurance reviews of the work**

All service providers are required to submit proof of Quality Assurance Review having been performed, on their work, with positive results (overall).

The successful service provider must ensure that all work conforms to the Standards for the Professional Practice of Internal Auditing (Institute of Internal Auditors).

## **2.3 Independence and objectivity of Audit Staff**

A service provider that is working for the Entity on as a consultant will not be considered for this assignment due to potential conflict of interest considerations. In carrying out the work, the successful service provider must ensure that their staff maintains their objectivity by remaining independent of the activities they audit.

The service provider shall:

- Have no executive or managerial powers, functions or duties except those relating to the project;
- And not be involved in the day-to-day operations of the Entity.

## **2.4 Report of audit results**

The report(s) on findings and recommendations must be sent to the Manager (Auditee) responsible for implementing those recommendations for their review and comment. The successful service provider must meet with the Auditee to discuss the findings and obtain written responses to recommendations together with implementation dates. If the findings have not been addressed these must then be incorporated into the relevant report.

## **2.5 Monitoring progress of assignments**

The service provider must report on progress to the Chief Audit Executive on a bi-weekly basis. On a monthly basis, the successful service provider must report and meet with the Head of Entity (or his/her delegated official) and quarterly with the Audit Committee to report on progress of the work. Additional meetings will be held as and when required.

## **3. EXPECTED DELIVERABLES**

The service provider is expected to deliver the following deliverables:

- 3.1 Develop a Project Implementation Plan on how and when the scope of work will be conducted as per timeframes and responsible persons indicated above.
- 3.2 Weekly progress reports on implementation of the Project Implementation Plan.
- 3.3 Draft and final reports on outcomes of the audits conducted as per scope of work.
- 3.4 Develop the Internal Audit Plan for the following financial year.
- 3.5 Presentation of draft and final reports to related stakeholders.
- 3.6 Develop a close out report on work done.
- 3.7 All audit files and reports, manual or electronic, editable and non- editable remain the property of GFMS.

## **4. COMMUNICATION & REPORTING**

The successful bidders will:

- 4.1 Directly interact with Chief Audit Executive for all audits conducted.
- 4.2 Report to the CAE in relation to the audits according to the agreed terms as would be documented on the SLA and Project Implementation Plan.

- 4.3 Submit a written progress report with milestones achieved on weekly basis.
- 4.4 Be responsible for recording and distribution of minutes at progress meetings.
- 4.5 Produce reports as per expected deliverables as stipulated above.

**5. KEY PERSONNEL**

The Consultant must provide competent support staff for all Internal Audit Services.

**Table: 1 Key Personnel required:**

<b>Personnel</b>	<b>Number</b>	<b>Role</b>	<b>Qualifications and experience</b>
Senior Internal Auditor	1	Team Leader	Minimum SAQA B Degree / Advanced Diploma (NQF level 7) Qualification in Auditing or Accounting.  A minimum of three (3) years' experience at a Managerial / Supervisory level in Internal Auditing.
Internal Auditors	2	Team Members	Minimum SAQA National Diploma (NQF level 6) Qualification in Auditing or Accounting.  A minimum of five (5) years' experience as an Internal Auditor.
Junior Auditor	1	Junior Member	Minimum SAQA National Diploma (NQF level 6) Qualification in Auditing or Accounting.  A minimum of two (2) years' experience as an Internal Auditor.

**NB:**

- **The contract will be a rate based contract and therefore hours and level of personnel included per project will be determined by the scope of the project.**
- **Personnel deployed in the project will be required to be registered with IIA.**

**6 COMPETENCIES**

- a) Strategic thinker
- b) High Level of Internal Control Awareness & Forward thinking
- c) Analytical skills
- d) Ability to interact with management officials effectively for consulting purposes
- e) Ability to resolve complex issues and propose effective and practical solutions
- f) Time management.

**7. GENERAL**

- a) A Project Manager will be assigned to the project to manage the attendance and performance of the service provider during the execution of projects which will be assigned throughout the course of the contract.
- b) The team leader has the responsibility to manage the conduct and the attendance of the members in ensuring effective and efficient execution of projects.
- c) The team assigned on the project will be required to sign a confidentiality form and code of ethics.
- d) The service provider shall not, without GFMS prior written consent, disclose or make use of any information obtained about the Entity during the course of executing duties at GFMS.
- e) Contravention to the disclosure of information condition, if proven, may lead to termination of the contract and possibly, restriction on the National Treasury website.

## **8.SERVICE LEVEL AGREEMENT**

- 8.1 The successful bidder will be required to enter into a service level agreement with Department of Transport GFMS – Trading Entity.
  
- 8.2 The Employer and the service provider may from time to time agree in writing to additional quality requirements and standards relating to the Services together with performance measurement provisions, which quality requirements, performance measurement provisions shall be reduced in writing in a service level agreement and signed by both parties before commencement.

## **SECTION 5:** **EXPERIENCE**



**ANNEXURE A: BIDDERS EXPERIENCE**

The bidder must have been awarded and successfully executed an internal audit contract of a minimum of two (2) years.

No	Name of Client	Description of Work	Contract start	Contract End	Contract Value	Client contact details
1.						Name: Tel Number: Cell phone: Email address:
2.						Name: Tel Number: Cell phone: Email address
3.						Name: Tel Number: Cell phone: Email address:

\_\_\_\_\_  
 Name of Bidder

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Designation

\_\_\_\_\_  
 Date

## **SECTION 6:** **PRICING**

**PRICING SCHEDULE**

**BID NUMBER:** SCMU10-GFMS – 2022/23-0008

**PROJECT DESCRIPTION:** APPOINTMENT OF CONSULTANT TO EXECUTE GOVERNMENT FLEET MANAGEMENT SERVICES- TRADING ENTITY’S APPROVED INTERNAL AUDIT PLAN FOR A PERIOD OF TWENTY FOUR (24) MONTHS

**Bidders please note**

- a) Quoted rate per hour to be inclusive of all applicable costs related to successful execution of the contract.
- b) Hours are for evaluation purposes only
- c) This bid is valid for one hundred and twenty (120) days

NO	ITEM	QUANTITY	ESTIMATED HOURS	RATE per HOUR	AMOUNT (Rate x no. of hours)
1	Team Leader	1	672		
2	Team Members	2	1342		
3	Junior Member	1	672		
4	ICT audit	1	160		
5	<b>SUB TOTAL</b>				
6	<b>VAT @ 15 % (where applicable)</b>				
7	<b>TOTAL BID PRICE</b>				

**NAME OF BIDDER:** .....

**SIGNED ON BEHALF OF THE BIDDER:**.....

**DATE:** .....



**BID PRICING FORM**

For ease of reference, Bidders shall enter their Bid Price, copied from the Pricing Schedule, in the space provided below. Should there be any discrepancy, then the sum calculated from the Pricing Schedule, subject to any arithmetic correction, shall hold precedence.

**Total Amount (Amount in words):**

.....  
.....

..... inclusive of VAT

**Total Amount (amount in figures) R** ..... inclusive of VAT

**NAME OF BIDDER:**.....

**SIGNED ON BEHALF OF THE BIDDER:**.....



## GENERAL CONDITIONS OF CONTRACT

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## 1. DEFINITIONS

The following terms shall be interpreted as indicated:

- 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents 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 anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 “Day” means calendar day.
- 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
- 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.



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

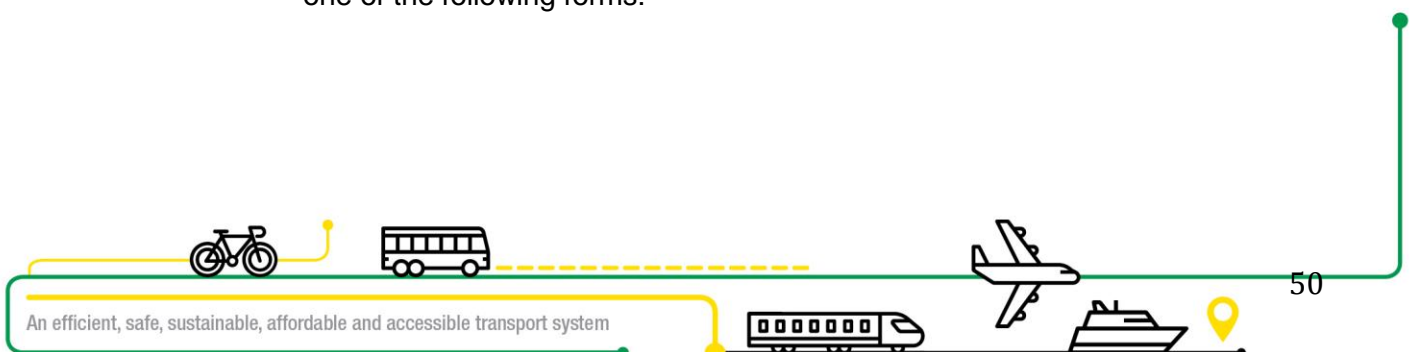
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## 6. PATENT RIGHTS

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

## 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.
- 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.

## 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 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.

10.2 Documents to be submitted by the supplier are specified

## 11. INSURANCE

11.1 The services provided under the contract shall be fully insured in a freely convertible currency against loss or damage incurred on site. The service provider is required to provide proof valid insurance.

## 12. TRANSPORTATION

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



### 13. INCIDENTAL SERVICES

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any.

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the 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, 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.
- 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 and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract

## 16. PAYMENT

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon 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.



## 17. PRICES

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

## 18. CONTRACT AMENDMENTS

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

## 19. ASSIGNMENT

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

## 20. SUBCONTRACTS

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

## 21. DELAYS IN THE SUPPLIER'S PERFORMANCE

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

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall

evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.





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

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without 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 perform the services within the period(s) specified in the contract, the department shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the unperformed services using the current prime interest rate calculated for each day of the expected actual performance. The department may also consider termination of the contract pursuant to GCC Clause 23.

22.2 The service provider undertakes to be accountable for any losses incurred whilst the company is on site.

## 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.

## 24. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS

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

## 25. FORCE MAJEURE

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations

under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.



## 26. TERMINATION FOR INSOLVENCY

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

## 27. SETTLEMENT OF DISPUTES

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

## 28. LIMITATION OF LIABILITY

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs,

provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and



- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## 29. GOVERNING LANGUAGE

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

## 30. APPLICABLE LAW

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

## 31. NOTICES

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## 32. TAXES AND DUTIES

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.



### 33. NATIONAL INDUSTRIAL PARTICIPATION (NIP) PROGRAMME

33.1 The NIP programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

### 34. PROHIBITION OF RESTRICTIVE PRACTICES

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by 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 a 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 Commission 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.

