



Transport, Safety and Liaison
NORTHERN CAPE PROVINCE



TENDER DOCUMENT

TENDER NO: NCDTSL 03/2025/2026

PROVISION OF PUBLIC TRANSPORT SERVICES IN PHOKWANE MUNICIPAL AREAS

Department of Transport, Safety and Liaison
Northern Cape Office of the Premier
T & I Building
69 Memorial Road
Monuments Heights
Kimberley
8300

CLOSING DATE: 17 OCTOBR 2025

CLOSING TIME: 11:00 am

NAME OF COMPANY	
TENDER AMOUNT vat inclusive	

INVITATION TO BID

SBD 1 FORM

NORTHERN CAPE PROVINCE: DEPARTMENT OF TRANSPORT SAFETY & LIAISON					
BID NUMBER:	NCDTSL 03/2025/20	CLOSING DATE:	17 OCTOBER 2025	CLOSING TIME:	11H00
DESCRIPTION	PROVISION OF PUBLIC TRANSPORT SERVICES IN THE PHOKWANE MUNICIPAL AREAS				
BID RESPONSE DOCUMENTS MAY BE POSTED TO					
The Manager					
Supply Chain Management					
Department of Transport Safety & Liaison					
PO Box 168					
Kimberley					
8300					
OR					
DOCUMENTS MAY BE HAND DELIVERED TO					
Department of Transport Safety & Liaison					
Northern Cape Office of the Premier					
T & I Building					
69 Memorial Road					
Monuments Heights					
Kimberley					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	MR. DESMOND MQHUM		CONTACT PERSON	MS. KEFILWE SENAKHOMO	
TELEPHONE NUMBER	0678015310		TELEPHONE NUMBER	0679712413	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	dmqhum@ncpg.gov.za		E-MAIL ADDRESS	Kefilwe.Senakhomo@yahoo.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [(IF YES ENCLOSE PROOF)]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [(IF YES, ANSWER THE QUESTIONNAIRE BELOW)]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS 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:

BID ADVERTISEMENT FORM

Bid description	PROVISION OF PUBLIC TRANSPORT SERVICES AT THE PHOKWANE MUNICIPLA AREA		
Bid number	NCDTSL 03/2025/26		
Name of institution	Department of Transport, Safety and Liaison		
The place where goods, works, or services are required	PHOKWANE MUNICIPAL AREA		
Closing date and time	Date	17 October 2025	Time 11:00
Contact details	Postal address	Department of Transport, Safety and Liaison Private Bag X1368 Kimberley 8300	
	Physical address	Department of Transport, Safety and Liaison Northern Cape Office of the Premier T & I Building 69 Memorial Road Monuments Heights Kimberley 8300	
	Tel. no.	N/A	
	Fax no.	N/A	
	E-mail address	dmqhum@ncpg.gov.za	
	Contact person	Mr Desmond Mqhum Deputy Director - Supply Chain Management	
Where bids can be collected	<ul style="list-style-type: none"> - Northern Cape Office of the Premier (Block C - Office 22) - E-tender portal - DTSL website - www.dtsl.gov.za 		
Where bids should be delivered	Northern Cape Office of the Premier T&I Building 69 Memorial Road Monuments Heights Kimberley		
Category (refer to annexure A)	N/A		
Sector	Other		
Region	Northern Cape Province: Francis Baard District		
Compulsory briefing session/site visit	Date	7 October 2025	
	Time	11:00	
	Venue	Northern Cape Office of the Premier T&I Building 69 Memorial Road Monuments Heights Kimberley	

PLACE	Tender document may be collected during working hours at the following address: Northern Cape Office of the Premier, Block C - Office 22 T&I Building 69 Memorial Road Kimberley 8300
DEPOSIT	T&I Building, 69 Memorial Road - Block C reception next to the security counter
COMPULSORY INFORMATION SESSION MEETING	Department of Transport Safety & Liaison Northern Cape Office of the Premier, Block C - Office 22 T&I Building 69 Memorial Road Kimberley 8300

Enquiries related to tender documents may be addressed to:

Dept Head of SCM	Desmond Mqhum	Telephone no:	N/A
Cell no:	067 801 5310	Fax no:	
E-mail:	dmqhum@ncpg.gov.za		

Dept Project Leader:	Kefilwe Senakhomo	Telephone no:	N/A
Cell no:	0679712413	Fax no:	N/A
E-mail:	Kefilwe.senakhomo@gmail.com		

Deposit / RETURN of tender documents:

POSTED TO	Tender document may be hand delivered to: The Manager - Supply Chain Management Northern Cape Office of the Premier T&I Building 69 Memorial Road Monuments Heights Kimberley
Telegraphic, telephonic, telex, facsimile, electronic and / or late tenders will not be accepted.	
Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the TENDER DATA (T 1. 2)	

PRICING SCHEDULE – FIRM PRICES
(SERVICE)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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Invitation to submit a proposed *KM rate* for a subsidised Public passenger transport services in the Phokwane Local municipality

Northern Cape Department of Transport Safety and Liaison is looking for a **substitute/replacement operator** to render a subsidised Public Passenger Transport service in Phokwane Local municipality, mainly in Pampierstad and Hartswater.

This contract has a lifespan of 23 years since its inception date in 2002. The services will be operated on 09 routes as indicated under scope of work below. Monthly claims will be informed by KMs operated.

1. PRICING SCHEDULE

- This contract has a monthly escalation factor which is determined by number of factors including indices published monthly by STATS SA. This factor is fluctuating monthly
- Monthly Operated KMs are fluctuating based on the number of days in that particular month.
- **Monthly claims will be calculated as follows: -**

Scheduled/operated KMs	19 768.6
Number of buses including spares	2
Number of routes	9
Escalation factor	2,8599

= (Operated KMs x KM rate) x escalation factor

The highest number of KMs scheduled/operated and escalation factor in 2025

Rate per kilometre (calculations should be done based on the above stats)

<u>Your estimated amount to claim</u> (KMs x Escalation factor)	Rate per KM
	R

Total monthly income will be your claimed amount + passenger ticket revenue

2. SCOPE OF WORK

To ensure a reliable and efficient contracted service, an operator must be able to provide and operate a total of **12** standard buses.

- Ten (10) buses are for peak operational purpose
- Two (2) buses must at all times be standby for any unforeseen eventualities
- Each bus be must fitted with an electronic ticket machine (ETM) as well as a functional tracking system
- Buses must not be older than fifteen (15) year or the chassis must also not be older than thirty (30) years.
- This contract will be operated in a total of nine (9) routes
- Buses used to transport commuters must at all times during the contract period be in a roadworthy condition. Each vehicle must have a Valid Certificate of Fitness (COF), valid disc and a Certificate of Road of Worthiness (COR)
- The preferred bidder shall render the service as required which is the provision of subsidized public passenger transport services in the Phokwane Municipal areas.
- The use of subcontractors will not be allowed after awarding of tender, without prior written permission by the Department.
- The successful bidder shall not cede, transfer, sell or alienate in any way this contract awarded or any part thereof to any person or company.

Number of contracted routes and kilometre distance per route

Number	Route No.	From	To	Route Length
1.	12A	Hartswater	Magogong	29.0
2.	12C	Hartswater	Taung Hospital	54.8
3.	12D	Hartswater	Taung	36.0
4.	1B	Jan Kemp	Pampierstad	36.0
5.	2B	Pampierstad	Hartswater	21.2

Total number of trips per day	23	23	23	23	23	7	0	0
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The operator is expected to install tracking system in all the buses used for contract. The operator will therefore ensure that the department's officials responsible for the management of this contract have access to their tracking systems and are able to generate reports are required by the department for monitoring systems.

Certify that the prices offered are firm for the duration of the contract and that I have read all directives on this price schedule, NCP 3.1

Signature of Bidder

Date

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of institution	State

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

2.2.1 If so, furnish particulars:
.....
.....

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

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

3 DECLARATION

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

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature Date
..... Position Name of bidder

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

TENDER EVALUATION CRITERIA

Tender will be evaluated according to the price and specific goals:

The 80/20 system for requirements with a Rand value of up to R50 000 000; OR

The 90/10 system for requirements with a Rand value above R50 000 000.

Where the financial value inclusive of VAT of one or more responsive tenders received equals or is less than R 50 000 000, the 80/20 system shall be applicable.

Where the financial value inclusive of VAT of all responsive tenders received has a value in excess of R 50 000 000, the 90/10 system shall be applicable.

Price / Preference / Functionality:				
Requirement	≤ R50 000 000	> R50 000 000		
Price	80	90	Total must equal	100
Preference	20	10		
Functionality	0 of 80	0 of 90		

Document t submitted	Non-submission will result in disqualification?	
Invitation to Bid – SBD 1	YES	Complete and sign the supplied pro forma document
		•
Tax Status Tax Clearance Certificate – SBD 2	YES	<ul style="list-style-type: none"> • Written confirmation that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status. (Refer Section 4.1.4) • Proof of Registration on the Central Supplier Database (Refer Section 4.1.5) • Vendor number • In the event where the Bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification outcome will take precedence.
Bidders Disclosure – SBD 4	YES	Complete and sign the supplied pro forma document
Preference Point Claim Form – SBD 6.1	NO	Non-submission will lead to a zero (0) score on BBBEE
Bidders' compliance for capacity of tenderers	YES	Bidder must submit the complete information
Registration on Central Supplier Database (CSD)	YES	The bidder must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration.
Traceable Trade references from three references	YES	The bidders must submit traceable references for services rendered in public transport

Roadworthy Certificates	YES	Bidders are required to submit registration of buses which will be utilized to render the service. The certificate must be in the name of the bidder. Each bus must have a valid certificate of roadworthiness
Public Liability Insurance	YES	Bidders are required to submit certificate of public liability from an accredited institution. The certificate must be in the name of the bidder. Insurance must be taken out on each vehicle.
Vehicle Registrations	YES	Bidders are required to submit registration of buses which will be utilized to render the service. Each vehicle must have a valid certificate of fitness
Three (3) years Audited Financial Statements 2022 till 2024	YES	The bidder must submit annual financial statements in line with the Companies ACT and Close Corporation ACT.
Bank Confirmation of credit Facility	YES	The bidder must submit a valid bank confirmation of available credit facility
Pricing Schedule	YES	The bidder Submit full details of the pricing schedule SBD 3.1
Submission of bid document	YES	Bidders must submit complete bid document
Compulsory information session meeting certificate	YES	Bidders must submit the information session meeting certificate which is signed by a DTSL representative and the bidder.

Mandatory Documents that must be submitted for Pre-qualification

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the **80/20** preference point system.
- b) **80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

- a) Price; and
- b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

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

1.7 Bidders who wish to claim points in terms of table 4.2 below need to provide proof for each point claimed as guided below:

- Who had no franchise in national elections before the 1983 and 1993 Constitution – **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
- Who is female- **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
- Who has a disability – **attach doctor’s letter confirming the disability**
- Who is youth - **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
- **Locality – Refers to the Northern Cape Province – attach proof of address**

2 DEFINITIONS

- “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3 FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

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

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

SPECIFIC GOAL	PERCENTAGE	SCORE	
RACE	100 %BLACK OWNED COMPANY	5	
	76%-99% BLACK OWNED COMPANY	3	
	50%-75% BLACK OWNED COMPANY	2	
	LESS THAN 50% BLACK OWNED COMPANY	0	
GENDER	100 % FEMALE OWNED COMPANY	5	
	76%-99% FEMALE OWNED COMPANY	3	
	50%-75% FEMALE OWNED COMPANY	2	
	LESS THAN 50% FEMALE OWNED COMPANY	0	
YOUTH (18-35 years)	100 % YOUTH OWNED COMPANY	5	
	76%-99% YOUTH OWNED COMPANY	3	

	50%-75% YOUTH OWNED COMPANY	2	
	LESS THAN 50% YOUTH OWNED COMPANY	1	
DISABILITY	100 % DISABILITY OWNED COMPANY	2	
	76%-99% DISABILITY OWNED COMPANY	1	
	50%-75% DISABILITY OWNED COMPANY	0	
LOCALITY	NORTHERN CAPE PROVINCE	3	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3 Name of company/firm.....

4.4 Company registration number:

4.5 Company CSD number:

4.6 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- I. The information furnished is true and correct;
- II. The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- III. In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- IV. If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - a) disqualify the person from the tendering process;
 - b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;

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

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

SCOPE OF WORK

To ensure a reliable and efficient contracted service, an operator must be able to provide and operate a total of 12 standard buses.

- Ten (10) buses are for peak operational purpose
- Two (2) buses must at all times be standby for any unforeseen eventualities
- Each bus must be fitted with an electronic ticket machine (ETM) as well as a functional tracking system
- Buses must not be older than fifteen (15) year or the chassis must also not be older than thirty (30) years.
- This contract will be operated in a total of nine (9) routes
- Buses used to transport commuters must at all times during the contract period be in a roadworthy condition. Each vehicle must have a Valid Certificate of Fitness (COF), valid disc and a Certificate of Road of Worthiness (COR)
- The preferred bidder shall render the service as required which is the provision of subsidized public passenger transport services in the Phokwane Municipal areas.
- The use of subcontractors will not be allowed after awarding of tender, without prior written permission by the Department.

Number of contracted routes and kilometre distance per route

Number	Route No.	From	To	Route Length
1.	12A	Hartswater	Magogong	29.0
2.	12C	Hartswater	Taung Hospital	54.8
3.	12D	Hartswater	Taung	36.0
4.	1B	Jan Kemp	Pampierstad	36.0
5.	2B	Pampierstad	Hartswater	21.2
6.	2B	Veevoer	Pampierstad	28.0
7.	2D	Pampierstad	Becker Crushes	24.0
8.	5A	Hartswater	Molelema	45.0

9.	7A	Maphoitsile	Hartswater	29.0
Total number of routes: 09				

Route No.	From	To	Route Length	Number of scheduled trips per day							
				Mon	Tue	Wed	Thu	Fri	Sat	Sun	Public Holidays
12A	Hartswater	Magogong	29.0	2	2	2	2	1	1	0	0
12C	Maphoitsile	Hartswater	29.0	1	1	1	1	1	1	0	0
12C	Hartswater	Taung Hospital	54.8	1	1	1	1	1	0	0	0
1A	Pampierstad	Jan Kempdorpe	36.0	3	3	3	3	3	1	0	0
1B	Jan Kempdorpe	Pampierstad	36.0	3	3	3	3	3	1	0	0
2A	Pampierstad	Hartswater	21.2	2	2	2	2	2	0	0	0
2A	Hartswater	Pampierstad	21.2	2	2	2	2	2	0	0	0
2B	Veevoer	Pampierstad	28.0	1	1	1	1	1	0	0	0
2D	Pampierstad	Becker Crushers	24.0	1	1	1	1	1	0	0	0
5A	Hartswater	Molelema	45.0	3	3	3	3	3	1	0	0
5A	Molelema	Hartswater	45.0	3	3	3	3	3	1	0	0
7A	Maphoitsile	Hartswater	29.0	1	1	1	1	1	1	0	0
Total number of trips per day				23	23	23	23	23	7	0	0

The appointed operator is expected to install tracking system in all the buses used for contract. The operator will therefore ensure that the department's officials responsible for the management of this contract have access to their tracking systems and are able to generate reports are required by the department for monitoring systems.

PART C2 : PRICING DATA

ITEM	ROUTE NO. Refer to page 53 for details of each route	REQUIRED VEHICLE(S)		VEHICLE(S) OFFERED		
		TYPE/ CATEGORY (seat category)	QTY	No	TYPE/CATEGORY (seat capacity)	REGISTARTION NO.
1.	12A	BUS	1	1		
2	12C	BUS	1	1		
3.	12C	BUS	1	1		
4.	12D	BUS	1	1		
5.	1A	BUS	1	1		
6.	1B	BUS	1	1		
7.	2A	BUS	1	1		
8.	2A	BUS	1	1		
9.	2B	BUS	1	1		
10.	2D	BUS	1	1		
11.	5A	BUS	1	1		
12.	5A	BUS	1	1		
13.	7A	BUS	1	1		

(attach all listed documents which should be in the owners or bidders name)

Vehicle registration Requirements
 Roadworthy Certificate
 Public Liability Insurance



Transport, Safety and Liaison

NORTHERN CAPE PROVINCE

1. TIMELINE OF THE BID PROCESS

The period of validity of tender and the withdrawal of offers, after the closing date and time is 90 days. The project timeframes of this bid are set out below:

TIMELINES FOR AWARDING OF PROJECT PROVISION OF PUBLIC TRANSPORT SERVICES IN THE PHOKWANE MUNICIPAL AREA

Advert	26 September 2025
Closing date	17 October 2025
Compulsory Site Meeting to be held at: Department of Transport Safety & Liaison: Northern Cape Office of the Premier: T&I Bulding,69 Monuments Road, Monuments Heights: Kimberley	07 October 2025 at 10h00
SCM compliance Evaluation	20 October 2025
Technical Report from Inspector	27 October 2025
Evaluation Committee	3 November 2025
Adjudication	07 November 2025
HOD Memorandum	12 November 2025
Appointment letter	14 November 2025
Inception	1 December 2025
Completion of project	31 March 2027

RESOLUTION OF BOARD OF DIRECTORS

RESOLUTION of a meeting of the Board of *Directors / Members / Partners of:

(legally correct full name and registration number, if applicable, of the Enterprise)

Held at _____ (place)

On _____ (date)

RESOLVED that:

1. The Enterprise submits a Bid / Tender to DEPARTMENT OF TRANSPORT, SAFETY AND LIASON in respect of the following project:

(project description as per Bid / Tender Document)

Bid / Tender Number: _____ (Bid / Tender Number as per Bid / Tender Document)

2. *Mr/Mrs/Ms: _____

in *his/her Capacity as : _____ (Position in the Enterprise)

and who will sign as follows : _____

be, and is hereby, authorised to sign the Bid / Tender, and any and all other documents and/or correspondence in connection with and relating to the Bid / Tender, as well as to sign any Contract, and any and all documentation, resulting from the award of the Bid / Tender to the Enterprise mentioned above.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Note:

1. * Delete which is not applicable
2. **NB.** This resolution must be signed by all the Directors / Members / Partners of the Bidding Enterprise
3. Should the number of Directors / Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page

ENTERPRISE STAMP

ENTERPRISE STAMP

Resolution of Board of Directors to Enter into Consortia or Joint Ventures

RESOLUTION OF BOARD OF DIRECTORS TO ENTER INTO CONSORTIA OR JOINT VENTURES

RESOLUTION of a meeting of the Board of *Directors / Members / Partners of:

(Legally correct full name and registration number, if applicable, of the Enterprise)

Held at _____ (place)

On _____ (date)

RESOLVED that:

3. The Enterprise submits a Bid/Tender, in consortium/Joint Venture with the following Enterprises:

(List all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)

to DEPARTMENT OF TRANSPORT, SAFETY AND LIASON in respect of the following project:

(Project description as per Bid/Tender Document)

Bid / Tender Number: _____ (Bid / Tender Number as per Bid/Tender Document)

4. *Mr/Mrs/Ms: _____

in *his/her Capacity as: _____ (Position in the Enterprise)

and who will sign as follows: _____

be, and is hereby, authorised to sign a consortium/joint venture agreement with the parties listed under item 1 above, and any and all other documents and/or correspondence in connection with and relating to the consortium/joint venture, in respect of the project described under item 1 above.

5. The Enterprise accepts joint and several liability with the parties listed under item 1 above for the due fulfilment of the obligations of the joint venture deriving from, and in any way connected with, the Contract to be entered into with the Department in respect of the project described under item 1 above.

6. The Enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and the Contract with the Department in respect of the project under item 1 above:

Physical address: _____

_____ (code)

Postal Address: _____

 _____ (code)

Telephone number: _____ (code)

Fax number: _____ (code)

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

Note:

1. * Delete which is not applicable
2. **NB.** This resolution must be signed by all the Directors / Members / Partners of the Bidding Enterprise
3. Should the number of Directors / Members/Partners exceed the space available above, additional names and signatures must be supplied on a separate page

ENTERPRISE STAMP

SPECIAL RESOLUTION OF CONSORTIA OR JOINT VENTURES

RESOLUTION of a meeting of the duly authorized representatives of the following legal entities who have entered into a consortium/joint venture to jointly bid for the project mentioned below: *(legally correct full names and registration numbers, if applicable, of the Enterprises forming a Consortium/Joint Venture)*

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

Held at _____ *(place)*

On _____ *(date)*

RESOLVED that:

RESOLVED that:

- A. The above-mentioned Enterprises submit a Bid in Consortium/Joint Venture to the DEPARTMENT OF TRANSPORT, SAFETY AND LIASON in respect of the following project:

(Project description as per Bid/Tender Document)

Bid / Tender Number: _____ *(Bid / Tender Number as per Bid/Tender Document)*

B. Mr/Mrs/Ms: _____

in *his/her Capacity as: _____ (Position in the Enterprise)

and who will sign as follows: _____

be, and is hereby, authorized to sign the Bid, and any and all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any Contract, and any and all documentation, resulting from the award of the Bid to the Enterprises in Consortium/Joint Venture mentioned above.

- C. The Enterprises constituting the Consortium/Joint Venture, notwithstanding its composition, shall conduct all business under the name and style of: _____
- D. The Enterprises to the Consortium/Joint Venture accept joint and several liability for the due fulfilment of the obligations of the Consortium/Joint Venture deriving from, and in any way connected with, the Contract entered into with the Department in respect of the project described under item A above.
- E. Any of the Enterprises to the Consortium/Joint Venture intending to terminate the consortium/joint venture agreement, for whatever reason, shall give the Department 30 days written notice of such intention. Notwithstanding such decision to terminate, the Enterprises shall remain jointly and severally liable to the Department for the due fulfilment of the obligations of the Consortium/Joint Venture as mentioned under item D above.
- F. No Enterprise to the Consortium/Joint Venture shall, without the prior written consent of the other Enterprises to the Consortium/Joint Venture and of the Department, cede any of its rights or assign any of its obligations under the consortium/joint venture agreement in relation to the Contract with the Department referred to herein.
- G. The Enterprises choose as the *domicilium citandi et executandi* of the Consortium/Joint Venture for all purposes arising from the consortium/joint venture agreement and the Contract with the Department in respect of the project under item A above:

Physical address: _____

_____ (code)

E-mail address : _____

Business address: _____

_____ (code)

Postal Address: _____

_____ (code)

Telephone number: _____ (code)

Fax number: _____ (code)

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

Note:

1. * Delete which is not applicable
2. **NB.** This resolution must be signed by all the Duly Authorised Representatives of the Legal Entities to the Consortium/Joint Venture submitting this Bid
3. Should the number of Duly Authorised Representatives of the Legal Entities joining forces in this Bid exceed the space available above, additional names and signatures must be supplied on a separate page
4. Resolutions, duly completed and signed, from the separate Enterprises who participate in this Consortium/Joint Venture must be attached to the Special Resolution.

CAPACITY OF TENDERER

2. **WORK CAPACITY:** *(The Tenderer is requested to furnish the following particulars, attach additional pages if more space is required. Failure to furnish the particulars may result in the Tender being disregarded.)*

Skilled artisans employed		Unskilled employees employed	
Categories of artisans	Number	Categories of employees	Number

2.1. Provide full particulars of:

Machinery	Plant	Workshops

7. PARTICULARS OF COMMITMENTS WHICH THE TENDERER HAS PREVIOUSLY COMPLETED AND PRESENTLY ENGAGED WITH:

7.1. Current projects:

Project	Place (town)	Reference / Contact person	Contact Tel. No.	Contract amount	Contract period	Date of commence- ment	Scheduled date of completion
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							

7.2. Previous Transport services

Nature of Service	Place (town)	Reference / Contact person	Contact Tel. No.	Contract amount	Contract period	Date of commencement	Scheduled date of completion	Actual date of completion
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

Name of Tenderer	Signature	Date

SITE INSPECTION MEETING CERTIFICATE

Project title:	PROVISION OF PUBLIC TRANSPORT SERVICES IN THE PHOKWANE MUNICIPAL AREA
-----------------------	---

This is to certify that I, _____ representing
 _____ in the company of
 _____ visited the site on:

I have made myself familiar with all local conditions likely to influence the work and the cost thereof. I further certify that I am satisfied with the description of the work and explanations given at the site inspection meeting and that I understand perfectly the work to be done, as specified and implied, in the execution of this contract.

Name of Tenderer	Signature	Date

Name of DEPT Representative or Project Leader	Signature	Date

Name of Project Manager	Signature	Date

GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

- The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which Department of Transport Safety & Liaison is prepared to enter into a contract with the successful Bidder(s).
- The bidder submitting the General Conditions of Contract to Department Transport Safety & Liaison together with its bid, duly signed by an authorised representative of the bidder.

SERVICE LEVEL AGREEMENT

- Upon award Department of Transport Safety & Liaison and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by Department of Transport Safety & Liaison, more or less in the format of the draft Service Level Indicators included in this tender pack.
- Department of Transport Safety & Liaison reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder by amending or adding thereto.
- Bidder(s) are requested to:
 - Comment on draft Service Level Indicators and where necessary, make proposals to the indicators;
 - Explain each comment and/or amendment; and
 - Use an easily identifiable colour font or “track changes” for all changes and/or amendments to the Service Level Indicators for ease of reference.
- Department of Transport Safety & Liaison reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to Department of Transport Safety & Liaison or pose a risk to the organization.

SPECIAL CONDITION OF THIS BID

Department of Transport Safety & Liaison reserves the right:

- To award this tender to a bidder that did not score the highest points in total

number of points, only in accordance with Preferential Procurement Regulations of 2022

- To negotiate with one or more preferred bidders identified in the evaluation process, regarding any terms and conditions, including price without offering the opportunity to any other bidder's who has not been awarded the status of the preferred bidders
- To carry out site inspections, product evaluation or explanatory meetings in order to verify the nature and quality of the services offered by the bidders whether before or after the evaluation process
- To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- Award to multiple bidders based either on size or geographic considerations.

DEPARTMENT OF TRANSPORT SAFETY & LIASION REQUIRES BIDDER(S) TO DECLARE

In the Bidder's Technical response, bidder(s) are required to declare the following:

- Confirm that the bidder(s) is to: –
 - Act honestly, fairly, and with due skill, care and diligence, in the interests of Department of Transport Safety & Liaison;
 - Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
 - Act with circumspection and treat Department of Transport Safety & Liaison fairly in a situation of conflicting interests;
 - Comply with all applicable statutory or common law requirements applicable to the conduct of business;
 - Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with Department of Transport Safety & Liaison;
 - Avoidance of fraudulent and misleading advertising, canvassing and marketing;

- To conduct their business activities with transparency and consistently uphold the interests and needs of Department of Transport Safety & Liaison as a client before any other consideration; and
- To ensure that any information acquired by the bidder(s) from Department of Transport Safety & Liaison will not be used or disclosed unless the written consent of the client has been obtained to do so.

CONFLICT OF INTEREST, CORRUPTION AND FRAUD

- Department of Transport safety & Liaison reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of [Institution name] or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")
 - engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
 - seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
 - makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of Department of Transport & Liaison officers, directors, employees, advisors or other representatives;
 - makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
 - accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;

- pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- has in the past engaged in any matter referred to above; or
- has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that Department of Transport Safety & Liaison relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by Department of Transport Safety & Liaison against the bidder notwithstanding the conclusion of the Service Level Agreement between Department of Transport Safety & Liaison and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

PREPARATION COSTS

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

INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, Department of Transport Safety & Liaison incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or

enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds Department of Transport Safety & Liaison] harmless from any and all such costs which Department of Transport Safety & Liaison may incur and for any damages or losses Department of Transport Safety & Liaison may suffer.

PRECEDENCE

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

LIMITATION OF LIABILITY

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

TAX COMPLIANCE

No tender shall be awarded to a bidder who is not tax compliant. Department of Transport Safety & Liaison reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to Department of Transport Safety & Liaison, or whose verification against the Central Supplier Database (CSD) proves non-compliant. Department of Transport Safety & Liaison further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Department of Transport Safety & Liaison reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may

arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that Department of Transport Safety & Liaison allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and Department of Transport Safety & Liaison will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with Department of Transport Safety & Liaison's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by Department of Transport Safety & Liaison remain proprietary to Department of Transport Safety & Liaison and must be promptly returned to Department of Transport Safety & Liaison upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure Department of Transport Safety & Liaison written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

DEPARTMENT OF TRANSPORT SAFETY & LIASION PROPRIETARY INFORMATION

Bidder will on their bid cover letter make declaration that they did not have access to any Department of Transport Safety & Liaisons proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

country of origin and which have the potential to harm the local industries in the RSA.

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

- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
2. **Application** 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
3. **General** 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
4. **Standards** 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
5. **Use of** 5.1 The supplier shall not, without the purchaser’s prior written consent, **contract** disclose the contract, or any provision thereof, or any specification, **documents** plan, drawing, pattern, sample, or information furnished by or on **and** behalf of the purchaser in connection therewith, to any person other **information;** than a person employed by the supplier in the performance of the **inspection.** contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the

supplier's performance under the contract if so required by the purchaser.

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

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

7. Performance 7.1 Within thirty (30) days of receipt of the notification of contract award, **security** the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements,

including payment arrangements with the testing authority concerned.

- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
 - 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
 - 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
 - 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
 - 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.
- 9. Packing**
- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
 - 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

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

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

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

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

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

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

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

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

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

15. Warranty 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

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

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

- 19. Assignment** 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts** 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the** 21.1 Delivery of the goods and performance of services shall be made by **supplier's** the supplier in accordance with the time schedule prescribed by the **performance** purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
- 22. Penalties** 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the

purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

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

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

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

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

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

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

- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

- 24.1 When, after the date of bid, provisional payments are required, or 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 26.1 The purchaser may at any time terminate the contract by giving written **for insolvency** 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 procedures specified in the SCC.

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

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

28. Limitation of liability 28.1 Except in cases of criminal negligence or willful misconduct, and in

the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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

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

30. Applicable law 30.1 The contract shall be interpreted in accordance with South African law, unless otherwise specified in SCC.

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

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

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

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

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

33. National Industrial Participation Programme (NIP) 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

Restrictive practices 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34 Prohibition of

- 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.