



THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA

## BID DOCUMENT

**APPOINTMENT OF A SERVICE PROVIDER TO, MANUFACTURE, SUPPLY AND DELIVER THE NATIONAL ORDERS INSIGNIA TO THE PRESIDENCY FOR A PERIOD OF THREE (3) YEARS**

**BID NUMBER:** PO 2023/24:002

**CLOSING DATE:** 02 April 2024

**EXTENDED CLOSING DATE** 05 April 2024

**TIME:** 11H00 AM

**VALIDITY PERIOD:** 120 days

### **COMPULSORY BRIEFING SESSION**

**DATE:** 22 March 2024

**TIME:** 10H00 – 12H30

**VENUE:** Microsoft Teams /Venue

**(click on the link below to access the session)**

[Click here to join the meeting](#)

Kindly take note of the following attached documentations:

**Section 1: Standard Bidding Documents**

**Section 2: Special Conditions (Specification /Terms of Reference)**

**Section 3: General Conditions**

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

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

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	PO 2023/24:002	EXTENDED CLOSING DATE:	05 April 2024	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO MANUFACTURE; SUPPLY AND DELIVER THE NATIONAL ORDERS INSIGNIA TO THE PRESIDENCY FOR A PERIOD OF THREE (3) YEARS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>COMPLETED BID DOCUMENTS MUST BE DEPOSITED IN THE OFFICIAL BID/TENDER BOX OF THE PRESIDENCY LOCATED AT THE PUBLIC ENTRANCE OF THE</b>					
<b>UNION BUILDINGS ON GOVERNMENT AVENUE</b>					
<b>PRETORIA</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	SCM: Acquisition Office		CONTACT PERSON	Dumisani Mahlasela	
TELEPHONE NUMBER	N/A		TELEPHONE NUMBER	N/A	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	<a href="mailto:Tenders@presidency.gov.za">Tenders@presidency.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:DumisaniM@presidency.gov.za">DumisaniM@presidency.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:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
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	
<b>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.</b>					

## 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, 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 WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER: .....

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

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

DATE: .....

**PRICING SCHEDULE – NON-FIRM PRICES  
(PURCHASES)**

**NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.**

**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 <b>PO 2023/24:002</b>
Closing Time:11:00	Extended Closing date 05 April 2024

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

ITEM NO	DESCRIPTION	QUANTITY	BID PRICE YEAR 1	BID PRICE YEAR 2	BID PRICE YEAR 3
1.	The Order of Mapungubwe	1			
2.	The Order of Baobab	1			
3.	The Order of Ikhamanga	1			
4.	The Order of Luthuli	1			
5.	The Order of Mendi	1			
6.	The Order of Companions of OR Tambo	1			
7.	The Order of South Africa	1			
8.	Ribbon	1			
9.	Scrolls	1			
10.	Boxes	1			
11.	Design and Finish	1			

ALL APPLICABLE TAXES IN PRICES SHOULD BE INCLUDED IN RSA CURRENCY)

- Required by: .....
- At: .....
- Brand and model .....
- Country of origin .....
- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- Delivery: \*Firm/not firm

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

Signature	Date
Position	Name of bidder

**PRICE ADJUSTMENTS**

**NON-FIRM PRICES SUBJECT TO ESCALATION**

IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
- (1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
- D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
- R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
- R1o, R2o = Index figure at time of bidding.
- VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

The following index/indices must be used to calculate your bid price:

Index..... Dated.....      Index..... Dated.....      Index..... Dated.....  
 Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

**PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

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



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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

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

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

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

### 1. GENERAL CONDITIONS

- 1.1** The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

**1.2 To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the 90/10 preference point system.
  - b) The applicable preference point system for this tender is the 80/20 preference point system.
  - c) Either the 90/10 or 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:

DESCRIPTION	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

- 1.5** Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6** The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

**80/20 or 90/10**

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.2.1. POINTS AWARDED FOR PRICE

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

**80/20 or 90/10**

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of

this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

**DECLARATION WITH REGARD TO COMPANY/FIRM**

- 4.3. Name of company/firm.....
- 4.4. Company registration number: .....
- 4.5. TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium
  - One-person business/sole propriety
  - Close corporation
  - Public Company
  - Personal Liability Company
  - (Pty) Limited
  - Non-Profit Company
  - State Owned Company
- [Tick applicable box]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the

company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
<b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....

## SPECIFICATION



### THE PRESIDENCY REPUBLIC OF SOUTH AFRICA SUPPLY CHAIN MANAGEMENT

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#### APPOINTMENT OF A SUPPLIER TO MANUFACTURE, SUPPLY AND DELIVER THE NATIONAL ORDERS INSIGNIA TO THE PRESIDENCY FOR A PERIOD OF THREE (3) YEARS

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##### 1. THE PURPOSE OF SPECIFICATION

The purpose of these specifications is to invite bidders to submit bid responses/proposals to manufacture, supply and deliver the National Orders Insignia to The Presidency for a period of three (3) years.

##### 2. BACKGROUND

The National Orders are the highest honour the President bestows on citizens and foreign nationals. The Presidency promotes social cohesion through bestowing notable citizens with a national order in the form of medals/insignia. The Chancery of Order is responsible for the administration, currently the stock of the orders need to be replenished.

##### 3. SCOPE AND EXTENT OF WORK

The appointed bidder will be required to manufacture; supply and deliver the National Orders Insignia to The Presidency for a period of three (3) years. Specifications for orders are:

###### 3.1 The metal to be:

- platinum
- gold
- silver
- bronze as per tender

**Metal to comply with:**

- Gold: the relevant requirements of type G750 of SABS 29
- Silver: the relevant requirements of type S925 of SABS 29
- Bronze: the relevant requirements of designation CZ101 (90/10 Brass) of EN 1172:2011

**The following orders are to be manufactured in metals stated in point 3.1 according to the Government Gazette No. 24155; No. 25799 and Gazette No. 37472**

**3.1.1 The Order of Mapungubwe** consists of two elements:

A modified triangle below and an oval above

The overall dimensions in millimeters are as follows;

Neck Badge 58(W) X 70(H) X 8(T)

Miniature 19.4(W) X 22.2(H) X 3.7(T)

Lapel Rosette 19.4(W) X 22.2(H) X 3.7(T)

**3.1.2 The Order of the Baobab** consists of a nonagon geometry held within an organic holding shape:

Neck Badge 52.5(W) X 60(H) X 5(T)

Miniature 17(W) X 20(H) X 2.2(T)

Lapel Rosette 17(W) X 20(H) X 2.2 (T)

**3.1.3 The Order of the Companions of O.R Tambo** is a vertical oval with sweeping hooks on either side and consists of a walking stick.

The overall dimensions in millimeters are as follows:

Walking Stick 140W at the top X 8.20(H) X 30(T) excluding the snake

Insert 38.5(W) X 58.7(H) X 5.7(T)

Neck Badge 38.5(W) X 58.7(H) X 5.7(T)

Miniature 12..6(W) X 20(H) X 2.5 (T)

Lapel Rosette 12..6(W) X 20(H) X 2.5(T)

**3.1.4 The Order of Luthuli's** dimensions in millimeters are as follows:

Neck Badge 56.6(W) X 70.1(H) X 8.1(T)

Miniature 20.8(W) X 25(H) X 2.2 (T)

Lapel Rosette 20.8(W) X 25(H) X 2.2(T)

3.1.5 **The Order of Ikhamanga’s** dimensions in millimetres are as follows:

- Neck Badge 45.8(W) X 70(H) X 7.8(T)
- Miniature 20(W) X 30.5(H) X 3.5 (T)
- Lapel Rosette 20(W) X 30.5(H) X 3.5(T)

3.1.6 The Mendi Decoration for Bravery’s dimensions in millimeters are as follows

- Neck Badge 40.2(W) X 62.3(H) X 6.7(T)
- Miniature 20.1(W) X 31.4(H) X 3.5 (T)
- Lapel Rosette 20.1(W) X 31.4(H) X 3.5(T)

3.1.7 The Order of the Republic of South Africa’s Miniature and Rosette shall be made of Gold that complies with the relevant requirements of SABS 29 for gold alloy G750, also known as 18 carat Gold. The Order shall be decorated with three Tanzanite of 3mm diameter and a further two Tanzanite of 1.5mm diameter. The colour of the Tanzanite shall be J to K and clarity SI1 to SI2.

**3.2 Ribbon (neckband & miniatures)**

**3.2.1 The ribbons shall:**

1	2	3
Property	Requirement	Test method
Composition, % Polyester Weave	100 Jaquard / Satin	AATCC method 20
Length, mm, min	750	Physical examination
Width, mm, min		SABS SM 82
Neckband	36	
Miniatures	16	SABS SM 84
Decitex of yarns, min	100	
Warp	110	
Weft	167	SABS ISO 2060
Figure yarns		
Colourfastness to:		SABS ISO 105-E01
a) Water	4-5	
Change in colour; Staining of	4-5	
transfer cloths	6	SABS ISO 105-B02
b) Light		

- i) have been made from well-prepared yarns
- ii) have a calendared finish
- iii) be of acceptable width, various colour(s) and finish



- iv) the manufacturing of the ribbon must comply with requirements indicated on the above table.

**The selvedge (the edges of ribbon material) shall be:**

- i) Straight
- ii) Firm
- iii) Woven in the case of ribbons woven on a shuttle less loom, the picks shall be interlocked at or near the selvedge, by a locking thread that will prevent unravelling of the selvedge during use.

**The means of interlacing of the locking thread with the weft yarn shall be such that:**

- i) the locking thread cannot be pulled out of the body of the ribbon
- ii) in the event of a breakdown of the locking thread, continued unravelling of the selvedge will not occur

**The colour(s) used in the ribbons shall:**

- i) be a pantone colours given in the profiles, in terms of SABS 076-6.

### **3.3 Packaging Materials:**

The boxes and inserts for packing of the neck decorations, rosettes, miniatures to be:

- i) made from high density MDF; the high density MDF to comply with the relevant requirements of SANS 540-1, Fibreboard products Part 1: Uncoated fibreboard; SANS 540-2, Fibreboard products Part 2: Coated fibreboard

**The high density MDF to be:**

- i) stained with a mahogany coloured stain to render a deep burgundy colour
- ii) finished
- iii) sanded to render a satin smooth finish

**The finish comprises of:**

- i) sealing
- ii) dragging

**The sealing and dragging shall be:**

- i) repeated at least three times

### **Hinges**

The hinges shall:

- i) be L-shaped

- ii) be 30 mm X 30 mm
- iii) have a golden coloured finish
- iv) have stays

### **Felt or flocking**

The felt or flocking shall:

- i) be burgundy coloured
- ii) be of thickness 2 mm  $\pm$  1 mm

### **Design and make**

NOTE: The nominal finished size of the box shall be approximately 200 mm X 200 mm

### **Lid**

The lids shall:

- i) be solid MDF
- ii) be of thickness 15 mm  $\pm$  1 mm
- iii) have a single ovolo profile of depth  $\pm$  3 mm around the top edge
- iv) have a single  $\frac{1}{4}$  concave profile of depth  $\pm$  2, 5 mm around the bottom edge

### **Base**

The base shall:

- i) be box constructed MDF
- ii) be of height  $\pm$  30 mm
- iii) have walls of  $\pm$  18 mm thick
- iv) have a single ovolo profile of depth  $\pm$  3 mm around the bottom edge
- v) have 10 mm above the bottom edge, a single concave profile of width  $\pm$  5mm
- vi) have a single  $\frac{1}{4}$  concave profile of depth  $\pm$  2, 5 mm around the top edge
- vii) have a  $\pm$  2 mm thick felt layer stuck to the bottom of the base - up to the 3mm ovolo profiled edge
- viii) have a base insert

The base insert shall:

- i) be of solid MDF
- ii) have recesses to acceptably accommodate a neck decoration, rosette and miniature
- iii) be lined with flocking in the recesses

- iv) fit snugly in the hollow of the base

### **3.4 Scrolls**

The measurements for the scrolls are as follows:

- i) Length (Including scroll heads): **40** centimetres; Diameter: 3 centimetres
- ii) Gold in colours

### **3.5 Workmanship**

**The impression of the design on the obverse and reverse of each neck decoration, miniature, and lapel rosette shall be:**

- i) accurate; clear and a sharp representation of the design on the corresponding brass pre-production samples

**The orders, miniatures, lapel rosettes shall be free from defects that:**

- i) affect their appearance
- ii) affect their serviceability (or both)

**The surfaces of the neck decoration, miniatures, and lapel rosettes shall be:**

- i) Smooth
- ii) Polished
- iii) free from pitting, cracks and surface blemishes

### **3.6 Design And Finishing**

#### **Design**

**The neck decoration, miniatures, lapel rosettes shall:**

- i) be of the design and shape as indicated on the cited Gazettes
- ii) have a 3-D effect

#### **Enamelled finish**

**The enamelled finish on the relevant part of a neck decoration, miniature, or lapel rosette shall be:** confined to the area prescribed by the design of the colour as described

**The areas intended to be enamelled shall be:**

- i) suitably recessed to ensure good adhesion

#### **4 REQUIREMENTS FOR THE PROJECT**

The bidder will be required to provide the sample of:

- i) The material for the following: metal, wood and scroll.
- ii) The methodology of the project
- iii) Bidder's experience in manufacturing the insignia both in private and public sector

#### **5 SPECIAL CONDITIONS OF PROJECT/CONTRACT**

- i) The successful bidder will be required to sign a standard contract with The Presidency that will outline the terms and conditions of the contract.
- ii) Proposal must include cost breakdown in the pricing schedule
- iii) The Presidency reserves the right either to award the bid in full or in part or not to award the bid.
- iv) The bidder will commence with the services upon signing of the service level agreement by all parties involved.
- v) The Presidency undertakes to pay out in full within thirty days (30) after all valid claims for the services rendered to its satisfaction upon presentation of a substantiated claim/invoice, according to the payment schedule agreed upon in the contract.
- vi) The Presidency will conduct due diligence/site inspection at the premises of the manufacturer to confirm that capacity to deliver is achievable.

#### **6 SECURITY REQUIREMENTS**

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

#### **7. DURATION OF CONTRACT**

The contract will be for a period of three years/ 36 months.

#### **8. MONITORING AND EVALUATION OF THE PROJECT**

- i) All work is to be carried out in accordance with the time schedule as agreed upon with the Project Manager and within the agreed deliverable and terms and conditions of the signed contract.

- ii) Monitoring and evaluation of performance and adherence for the manufacture by the Project Manager.
- iii) Monitoring and evaluation of supply and delivery of the National Orders Insignia will be done by the Project Manager.
- iv) In carrying out the duties as prescribed, the Project Manager will be assisted by a Technical Team

## 9. LEGISLATIONS APPLICABLE TO THE BID

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

- i) The Preferential Procurement Policy Framework Act, Act No. 05 of 2000.
- ii) Preferential Procurement Regulations, 2022. In accordance with the PPPFA, submissions will be adjudicated on the 80/20 points system. Price will be allocated 80 points and the specific goals will be allocated 20 points.
- iii) The Presidency Supply Chain Management Policy
- iv) Public Finance Management Act
- v) Government Gazettes and the South African Bureau of Standards (SABS)

## 10. SPECIAL CONDITIONS AND REQUIREMENTS OF THE BID

- i) Bidders are requested to submit means of verification for specific goals (women, youth and the person with disabilities, e.g. ID documents and verification from the CSD), failing which the points for specific goals claimed will be forfeited.
- ii) A service level agreement/contract shall be signed with the awarded bidder/bidders.
- iii) The Presidency reserves the right to conduct site inspections at the supplier's facilities prior to the conclusion or awarding of contracts to the shortlisted bidders where necessary.
- iv) **Completed bid documents must be deposited in the bid/tender box, as indicated. Telegraphic, telefax, emails or late tenders/bids will not be accepted and will be disqualified.**
- v) **The pricing schedule must be attached as a separate Annexure (per items to be provided), marked PRICING SCHEDULE within the bid document envelope.**
- vi) **Bidders shall ONLY use a black ink (whether hand written or typed for completion of Standard Bidding Documents (SBD) forms. Failure to do so may result in the submitted bid/proposal being disqualified.**
- vii) All corrections made in the bid document must be initialled or signed off by the bidder to obviate unnecessary delays resulting from the need to require the bidder to give

written confirmation before finalisation of evaluation.

viii) **Bidders shall submit:**

- a. **Original bid documents (mandatory),**
- b. **a hard copy of the original documents, and,**
- c. one soft copy (digital / electronic) in a PDF format, in a suitable electronic medium, e.g. flash drive or portable hard drive etc. Failure to do so may result in the bid/proposal being disqualified. **The onus is on the bidder to ensure that the electronic PDF copies of the documents are indeed saved on the electronic device submitted.**

ix) **Failure to ensure all three sets of documents as per above may result in the bid/proposal being disqualified/invalidated.**

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

## **11. EVALUATION PROCESS**

### **FIRST PHASE: MANDATORY AND ADMINISTRATIVE COMPLIANCE -**

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

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

### **11.1 MANDATORY DOCUMENTATION**

- i) Original bid documents
- ii) Completed and signed Invitation to bid document (SBD 1)
- iii) Completed and signed Price Schedule (VAT and all other applicable costs SBD 3.2: non-firm price for purchase
- iv) The bidder must attend and a compulsory briefing session. A signed Briefing Session

Certificate will be issued on the day of briefing session. The bidder must submit a signed Briefing Session Certificate together with the bid document .

## 11.2 ADMINISTRATIVE COMPLIANCE

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

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

### SECOND PHASE : FUNCTIONAL / TECHNICAL EVALUATION

Only proposals that have met the criteria for mandatory compliance will qualify for this phase. During phase the ability of the bidder to execute the project will be evaluated in ONE STAGE.

#### STAGE 1: Desk-top Evaluation

The following categories will be evaluated in Stage 1:

- i) Experience and References
- ii) Sample
- iii) Methodology of the Project Plan

Each criteria will be allocated 100 points. Only proposals that scored at least 70 points or more will proceed to Phase 3.

Criteria	Sub criteria	Weight
<p><b>Sample of the material</b></p> <p>The ability of the service provider to manufacture National Order Insignia on ad-hoc request.</p> <p>Provide samples of certified material to be used as specified under the scope of work.</p>	<p>The supplier to submit - Metal, wood, and Scrolls.</p> <p>Three of the above = <b>50 points</b></p> <p>Two of the above = <b>25 points</b></p> <p>Zero or one of the above = <b>0</b></p>	<p><b>50</b></p>

<b>N.B All the samples must be as per the specification</b>		
<b>Methodology of the Project</b> Detail Project Plan: Bidders must outline how the manufacturing of national orders will operate and be managed on a request basis; including, preparations and equipment available for manufacturing of national orders, as well as delivery of national orders at the different request that might be required by the Presidency. There must be clear deliverables and time frames for each task to be completed.	Detailed project plan outlining all deliverables and time frames for each task completed = <b>20</b>  Project plan not outlining all deliverables and time frames for each task completed = <b>10</b>  No project plan= <b>0</b>	<b>20</b>
<b>Bidder's experience</b> Bidder experience in manufacturing of the Insignia in both the public and private sector. Bidders must submit the original Returnable Project reference form issued by The Presidency – See Annexure A (signed dated stamped, with contact person and contact number)	<b>0-1 year experience = 0</b> <b>2-5 years' experience = 5</b> <b>6-10 years' experience = 15</b> <b>11 and above years' experience = 30</b>	<b>30</b>
<b>TOTAL</b>		<b>100</b>

### THIRD PHASE: PRICE AND SPECIFIC GOALS

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

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

Description	Weight
Price	80
Specific goals	20
Total	100

For the purpose of this tender, bidders will be evaluated on pricing as per plan/template provided on SBD 3.2.

The points for Specific Goals will be distributed as follows:

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



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

**The bid price (vat and other costs inclusive) should be the same with the price indicated on SBD 3.2 if an annexure is attached.**

**12. CONFIDENTIALITY**

No communication will be undertaken with any bidder until the winning bidder has been informed of his winning bid. Information relating to the evaluation of proposals and recommendations concerning an award shall not be disclosed to neither the bidder who submitted the proposals nor to other persons not officially involved or concerned with the process<sup>1</sup>. The Presidency necessarily operates under the conditions of the PAIA provisions. No material or information derived from the procurement and provision of the service under this contract may be used for any purposes other than those of The Presidency, except where authorised in writing to do so.

**13. ACCEPTANCE OF THE SPECIAL CONDITIONS AND GENERAL CONDITIONS OF CONTRACT**

THE BIDDER MUST COMPLETE BELOW.

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

SIGNATURE..... CAPACITY.....

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

\_\_\_\_\_

**14. DISCLAIMER**

***The Presidency is not under obligation to award the tender.***

## 15. BRIEFING SESSION

**COMPULSORY BRIEFING SESSION WILL BE CONDUCTED ONLINE VIA TEAMS APP**

**DATE:** 22 March 2024

**TIME:** 10H00 – 12H30

**VENUE:** Microsoft Teams /Venue

(click on the link below to access the session)

[Click here to join the meeting](#)

## 16. SUBMISSION OF PROPOSALS

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

The Presidency

Bid Number: **PO 2023/24:002**

Completed bid documents must be deposited in the official bid/tender box of The Presidency located at the public entrance of the Union Buildings on Government Avenue, Pretoria on or before **05 April 2024 @11:00**.

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

**Bid Enquiries:**

1. [Tenders@presidency.gov.za](mailto:Tenders@presidency.gov.za)

**Technical Enquiries:**

[DumisaniM@presidency.gov.za](mailto:DumisaniM@presidency.gov.za)



**“ANNEXURE A”**

**THE PRESIDENCY  
REPUBLIC OF SOUTH AFRICA**

**RETURNABLE PROJECT REFERENCE FORM**

Project Description:	APPOINTMENT OF A SERVICE PROVIDER TO MANUFACTURE, SUPPLY AND DELIVER THE NATIONAL ORDERS INSIGNIA TO THE PRESIDENCY FOR A PERIOD OF THREE (3) YEARS
Bidder No:	PO 2023/24:002

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

I ..... (Name, Surname & Designation Preferably contract Manager)

From .....(Company Name)

Declare that the company was the recipient (client) of the following services (manufacturing of insignia) successfully executed by

.....(Name of bidder)

Project Description:

Project Location:

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

Contract Value:

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

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

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

Yes	No	Reason

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

Yes	No	Reason

.....  
Signature (Company Head or Delegated officer)  
Company dated stamp  
Contact Numbers:.....

.....  
Name of Signatory

**GENERAL CONDITIONS OF CONTRACT**

**THE NATIONAL TREASURY**

**Republic of South Africa**



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**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.

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

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## 1. Definitions

The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of Bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents 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 organisation purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

## **2 Application**

- 2.1 These general conditions are applicable to all Bids, contracts and orders including Bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, SCC are also laid down to cover specific supplies, services or works.
- 2.3 Where such SCC are in conflict with these general conditions, the special conditions shall apply.

## **3 General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4 Standards**

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



specifications.

## **7 Use of contract documents and information; inspection**

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

## **6. Patent rights**

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

## **7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- i) 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
  - ii) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

## **8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a

representative of the Department or an organisation acting on behalf of the Department.

- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9 Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10 Delivery and documents**

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

## **11 Insurance**

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

## **12 Transportation**

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

## **13 Incidental services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- i) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - ii) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - iii) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - iv) 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
  - v) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

## **14 Spare parts**

- 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- a. such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
  - b. in the event of termination of production of the spare parts:
    - i. Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - ii. following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## **15 Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or

workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16 Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in rand unless otherwise stipulated in SCC.

## **17 Prices**

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

## **18 Contract amendments**

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

## **19 Assignment**

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

## **20 Subcontracts**

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

## **21 Delays in the supplier's performance**

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

## **22 Penalties**

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

## **23 Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- i) 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;
  - ii) if the Supplier fails to perform any other obligation(s) under the contract; or
  - iii) 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.
- 23.7 These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.8 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

## **24 Anti-dumping and countervailing duties and rights**

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

any other amount which may be due to him.

## **25 Force majeure**

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

## **26 Termination for insolvency**

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

## **27 Settlement of disputes**

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

shall not apply to the cost of repairing or replacing defective equipment.

## **29 Governing language**

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

## **30 Applicable law**

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

## **31 Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32 Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

## **33 National Industrial Participation (NIP) Programme**

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

## **34 Prohibition of restrictive practices**

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.



