



Commission for Gender Equality  
A society free from gender oppression and inequality

**The Commission for Gender Equality invites suitably Qualified suppliers to participate in a Public Tender Process to provide the Commission with BANKING SERVICES**

**CONTRACT PERIOD: 5 years from date of commencement of contract**

**Tender No: CGE T001/2014**

**CLOSING DATE: 13 January 2015**

**CLOSING TIME: 11:00**

**IMPORTANT NOTES TO BIDDERS:**

- a) Tenders must be properly received and deposited in the tender box on or before the closing date and before the closing time at the Tender Submission Office, situated on the 2 Kotze Street, Women's Jail, East Wing, Constitution Hill, Braamfontein 2017
- b) No late tenders will be accepted under any circumstances.
- c) Tender offers must be submitted in a sealed envelope clearly reflecting the tender number and tender description as indicated above.
- d) Only original tenders will be accepted. No copies will be accepted. For this tender to be valid on the closing date, the Tender Offer and the offer part of the Contract Form must be signed by the bidder and the tender price(s) must be inserted.
- e) Do not dismember this tender document (do not take it apart, omit pages, change wording or put documents between its pages). All other documents must be attached to Annexure 6.

<b>BIDDER</b>	
<b>NAME of Company/Close Corporation or Partnership /Consortium/ Joint Venture or Sole Proprietor /Individual</b>	
<b>TRADING AS (if different from above)</b>	



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## 1. OBJECTIVES

To invite proposals from suitable service providers for the provision of banking services.

The Commission for Gender Equality wishes to appoint a registered bank and/or other registered financial institutions to meet the banking needs of its operational activities and other financial services required. These services include but not limited to –

- Mobile banking
- Online banking
- Relationship Managers
- Telephone banking

The sections as set out below sets out the banking and other financial services which the CGE requires to be supplied or made available.

## 2. MANDATE OF THE CGE

The Commission for Gender Equality is a state institution which together with five similar institutions, is established to “strengthen constitutional democracy in the Republic”. The Commission is an independent institution that is subject only to the Constitution and the Law of South Africa, and is accountable to the National Assembly.

The main objective of the CGE is to promote respect for gender equality and the protection, development and attainment of gender equality.

## 3. THE CGE FINANCE DEPARTMENT

The activities of the CGE finance department cover a wide range from basic bookkeeping to providing information to assisting managers in making strategic decisions. The finance department is responsible for all the day to day transactional accounting for the CGE business. This includes the tracking of all transactions.

The finance department is also responsible for management of the CGE cash flow and ensuring there are enough funds available to meet the day to day payments.

The CGE have nine (including head office) provincial offices, each has its own bank account. Each provincial office bank account is classified under petty cash account, and this account is subject to the CGE petty cash rules and regulations. These accounts are managed in head office by delegated official. Provincial offices are required to submit supporting documentation. The main account is located and administered by delegated official in the head office.



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4. DETAILS OF BIDDER

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENT OF THE COMMISSION FOR GENDER EQUALITY

BID NUMBER: CGE T001/2014      CLOSING DATE: 13 January 2015      CLOSING TIME: 11:00

DESCRIPTION: Provision of Banking Services to the Commission for Gender Equality

**The successful bidder will be required to fill in and sign a written Contract Form (5. Tender offer).**

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)

2 Kotze Street, Women's Jail, East Wing, Constitution Hill, Braamfontein 2017

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 8 hours a day, 5 working days a week.

All bids must be submitted on the official forms – (Not to be re-typed)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

The following particulars must be furnished.  
(Failure to do so may result in your bid being disqualified)

NAME OF BIDDER .....

POSTAL ADDRESS.....

STREET ADDRESS.....

TELEPHONE NUMBER      CODE.....NUMBER.....

CELLPHONE NUMBER .....

FACSIMILE NUMBER      CODE .....NUMBER.....

E-MAIL ADDRESS .....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)      YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)      YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?



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AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR...

A REGISTERED AUDITOR  
[TICK APPLICABLE BOX] .....

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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? YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER .....

DATE.....

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

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED.....

---

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Institution:** Commission for Gender Equality:

**Contact Person:** Shadrack Mafutsa

**Tel:** 011 403 7182

**Fax:** 011 403 7188

**E-mail address:** shadrack@cge.org.za

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:** Mxolisi Magubane

**Tel:** 011 403 7182

**Fax:** 011 403 7188

**E-mail address:** mxolisi@cge.org.za



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## 5. TENDER OFFER

5.1. I, \_\_\_\_\_ (duly authorised to represent the bidder for the purpose of this tender), hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached document to the Commission for Gender Equality ("CGE") on the terms and conditions stipulated in this tender document and in accordance with the specification stipulated in the tender document at the prices reflected in the Contract Form/Price Schedule.

5.2. The bidder agrees that:

5.2.1. the tender offer submitted shall remain valid, irrevocable and open for written acceptance by the CGE for a period of 120 (one hundred and twenty) days from the closing date or for such extended period as may be applicable;

5.2.2. the tender offer will not be withdrawn or amended during the aforesaid validity period;

5.2.3. notwithstanding the above, the bidder may submit a written request to the CGE after the closing date for permission to withdraw the tender offer. Such withdrawal will be permitted or refused at the sole discretion of the CGE after consideration of the reasons for the withdrawal, which shall be fully set out by the bidder in the written request for withdrawal;

5.2.4. should the tender offer be withdrawn in contravention of 5.2.1 to 5.2.3 above, the bidder agrees that:

- a) it shall be liable to the CGE for any additional expense incurred by the CGE in having either to accept another tender or, if new tenders have to be invited, the additional expenses incurred by the invitation of new tenders and the subsequent acceptance of any other tender;
- b) the CGE shall also have the right to recover such additional expenses by set-off against moneys which may be due or become due to the bidder under this or any other tender or contract or against any guarantee or deposit that may have been furnished by the bidder or on its behalf for the due fulfilment of this or any other tender or contract. Pending the ascertainment of the amount of such additional expenses, the CGE shall be entitled to retain such moneys, guarantee or deposit as security for any loss the CGE may suffer due to such withdrawal.

5.3. The bidder agrees that this tender and its acceptance shall be subject to the terms and conditions contained in the CGE's Supply Chain Management Policy ("SCM Policy") and Combating of Abuse of the Supply Chain Management System Policy ("Abuse Policy").

\_\_\_\_\_  
Signature(s)

\_\_\_\_\_  
Print name(s):  
On behalf of the bidder (duly authorised)

\_\_\_\_\_  
Date



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**6. CONTRACT FORM - APPOINTMENT OF A MAIN BANKER FOR THE COMMISSION FOR GENDER EQUALITY**

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remains binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
- 4.
5. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
- 6.
7. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
- 8.
9. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACGE .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2	.....
DATE	.....



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**PART 2 (TO BE FILLED IN BY THE COMMISSION FOR GENDER EQUALITY)**

**CONTRACT NO: TENDER NUMBER CGE T001/2014: APPOINTMENT OF A MAIN BANKER FOR THE COMMISSION FOR GENDER EQUALITY**

1. I .....in my icapacity as .....accept your bid under reference number **CGE T001/2014** dated **21 November 2014** for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract.
4. I confirm that I am duly authorised to sign this contract.

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE .....





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## 7. PRICING

The bidder must state whether the price quoted is fixed for the duration of the agreement or whether the price is subject to escalation. In the absence of an indication in this regard the price will be considered as fixed for the full period of the agreement.

- ✓ All pricing must be quoted in South African Rand (ZAR) including VAT.
- ✓ The pricing must remain valid for 90 days from the closing date of the tender.
- ✓ Pricing / costing template must be completed as per **Section 1**
- ✓ Prices tendered below shall be subject to adjustment in accordance with Annexure 4.
- ✓ The bidder shall complete prices for all items on the price schedule for each section tendered for
- ✓ The CGE reserves the right to award each section separately.

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 tender, and any variance will render the contract null and void.



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**SECTION 1: TRANSACTIONAL BANKING**

ITEM	DESCRIPTION	ESTIMATED ANNUAL QUANTITIES FOR EVALUATION PURPOSES	BASIS OF CHARGE	PRICE (Incl. VAT) R/%
<b>1.</b>	<b>CHEQUE ACCOUNT SERVICE FEES</b>			
	<ul style="list-style-type: none"> <li>Fixed fee per debit item</li> </ul>	200	Per item	
<b>1.1.</b>	<b>Handling Fee</b>	R70 000 000	% per Rand Value	
	<ul style="list-style-type: none"> <li>Cash Deposits</li> </ul>			
	<ul style="list-style-type: none"> <li>Enhanced Deposit Identifier (Check Digit Verification)</li> </ul>	10 000	Per item	
	<ul style="list-style-type: none"> <li>Bank serv debit/Debit order</li> </ul>	6	Per item	
	<ul style="list-style-type: none"> <li>Cash withdrawal: counter</li> </ul>	R20 000	% per Rand Value	
	<ul style="list-style-type: none"> <li>Special clearance</li> </ul>	10	Per item	
	<ul style="list-style-type: none"> <li>Stop payment (conducted at/by any Branch)</li> </ul>	5	Per item	
	<ul style="list-style-type: none"> <li>Transfer to branches of Main Banker</li> </ul>	12	Per item	
	<ul style="list-style-type: none"> <li>Bankers Report</li> </ul>	12	Per item	
	<ul style="list-style-type: none"> <li>Consolidated Payments (per payment)</li> </ul>	5	Per item	
	<ul style="list-style-type: none"> <li>Certificate of Balance</li> </ul>	10	Per item	
<b>1.2.</b>	<b>Bank statements: Hard copies</b>	120	Per item	
	<b>: PDF format/Electronic format</b>	120	Per item	
<b>1.3.</b>	<b>Bulk filing</b>			
	<ul style="list-style-type: none"> <li>Tracing of unidentified deposits per bank</li> </ul>	10	Per item	
<b>1.4.</b>	<b>Interest Rates</b>			
	<b>On credit balances</b>			
	<ul style="list-style-type: none"> <li>Interest payable on daily current account credit balances.</li> </ul>	Avg daily Balance R2 000 000	Prime linked %	
	<b>Overdrawn Balance</b>			
	<ul style="list-style-type: none"> <li>Interest payable on daily current account debit balances.</li> </ul>		Prime linked %	
<b>2.</b>	<b>ELECTRONIC BANKING</b>			
<b>2.1.</b>	<b>Cash Management System(Desk Top/PC Based)</b>			
	<b>Once-off Fees</b>			
	<ul style="list-style-type: none"> <li>Installation</li> </ul>	5	In Head office	
	<ul style="list-style-type: none"> <li>Pastel Evolution integration software</li> </ul>	5	In Head	



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ITEM	DESCRIPTION	ESTIMATED ANNUAL QUANTITIES FOR EVALUATION PURPOSES	BASIS OF CHARGE	PRICE (Incl. VAT) R/%
			office	
2.2.	<b>Operator Fees</b> <ul style="list-style-type: none"> <li>Per operator/System manager/Administrator</li> </ul>	2	Per operator (monthly)	
2.3.	<b>Account Fees</b> Own account linked to profile			
	<ul style="list-style-type: none"> <li>Statement fees (60 – 180 days)</li> </ul>	10	Per Statement	
2.4.	<b>Modular Fees</b>			
	<ul style="list-style-type: none"> <li>Initial Registration Fees</li> </ul>	1	Once-off	
	<ul style="list-style-type: none"> <li>Monthly Fee</li> </ul>	1	Per month	
2.5	<b>Transaction Fees</b>			
	<ul style="list-style-type: none"> <li>Credits (payments against available funds)</li> </ul>	130	Per item	
	<ul style="list-style-type: none"> <li>Payments exceeding R500 000</li> </ul>	10	Per item	
	<ul style="list-style-type: none"> <li>Account holder verification</li> </ul>	130	Per item	
2.6	<b>Standard electronic banking notification and reminder charges:</b>			
	<ul style="list-style-type: none"> <li>Fax</li> </ul>	120	Per item	
	<ul style="list-style-type: none"> <li>E-mail</li> </ul>	120	Per item	
	<ul style="list-style-type: none"> <li>SMS</li> </ul>	120	Per item	
3	<b>PAYMENTS AND COLLECTIONS Via Host-to-host connectivity (Including ACB FEE)</b>			
	Registration / Implementation Fee			
3.1	Minimum EFT Monthly Fee			
	<ul style="list-style-type: none"> <li>Host to Host</li> </ul>	1	Per month	
3.2	<b>EFT Transactions Credits</b>			
	<ul style="list-style-type: none"> <li>Same Day Value Credits</li> </ul>	70	Per item	
	<ul style="list-style-type: none"> <li>Charge per transaction exceeding R1 million</li> </ul>	4	Per item	
3.3	<b>Credits</b>			
	<ul style="list-style-type: none"> <li>Same Day Value Debits</li> </ul>	10 000	Per item	
3.4	Foreign Payments			
	<ul style="list-style-type: none"> <li>Foreign currency payment facility</li> </ul>	R500 000	% of transaction amount	
	<ul style="list-style-type: none"> <li>Minimum fee (if applicable)</li> </ul>	5	Per item	
3.5	<b>Penalties</b>			
	<ul style="list-style-type: none"> <li>Unpays</li> </ul>	5	Per item	
	<ul style="list-style-type: none"> <li>Re-Directs</li> </ul>	5	Per item	
3.6	<b>Recalls &amp; Unpays</b>			
	<ul style="list-style-type: none"> <li>Recall fees per recall one day before action date</li> </ul>	10	Per item	
	<ul style="list-style-type: none"> <li>Recall fees per recall same day</li> </ul>	10	Per item	
3.7	<b>Automated Aggregate Limit Usage</b> On every transmission (aggregate limit enquiry -	30	Per transaction	



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ITEM	DESCRIPTION	ESTIMATED ANNUAL QUANTITIES FOR EVALUATION PURPOSES	BASIS OF CHARGE	PRICE (Incl. VAT) R/%
	specify)			
	• Daily	365	Per day	
	• On Request	5	Per request	
<b>3.8</b>	<b>Additional Charges in respect of Error Processing</b>			
	• If aggregate value limit is exceeded	5	Per item	
	• If data is technically incorrect	5	Per item	
	• If submitted after the agreed cut-off time	5	Per item	
<b>3.9</b>	<b>Account Holder Verification</b>			
	• Bidder's bank validation	10 000	Per item	
	• Other bank's validation	10 000	Per item	
<b>4.</b>	<b>ELECTRONIC STATEMENT</b>			
<b>4.1.</b>	<b>Electronic statement delivery</b>			
	• Initial registration fee	1	Once-off	
	• Fixed monthly fee	12	Per month	
	• Per statement record	12 000	Per line item	
<b>5</b>	<b>BRANCH DEPOSIT IDENTIFICATION</b>			
<b>5.1</b>	Initial Registration Fee • Once-off	1	Once-off	
<b>5.2</b>	Monthly Fee • Fixed monthly	12	Per month	
<b>5.3</b>	<b>Price Per Deposit</b>			
	• Free format	1 000	Per item	
	• CDV	1 000	Per item	
<b>6.</b>	<b>ELECTRONIC DEPOSIT IDENTIFICATION</b>			
<b>6.1</b>	Initial Registration Fee • Once-off	1	Once-off	
<b>6.2</b>	Monthly Fee • Fixed monthly	12	Per month	
<b>6.3</b>	Price Per Deposit • CDV	10 000	Per item	
<b>7.</b>	<b>MAINTENANCE, SUPPORT AND TRAINING FEES</b>			
<b>7.1</b>	<b>Maintenance and Support</b> Per hour or part thereof, including travel time.	16	Per hour	
<b>7.2</b>	<b>Training</b> • Per hour or part thereof, including travel time	16	Per hour	



## 8. TECHNICAL SPECIFICATION

### 8.1. TRANSACTIONAL BANKING

#### BANKING REQUIREMENTS

The following are the user requirements in respect of banking facilities for the CGE.

#### 8.1.1. INCOME (Main account)

- a) This account is the Primary Bank account for the receipt of income from National Treasury.

#### 8.1.2. HOST TO HOST ELECTRONIC PAYMENT SYSTEM

- a) Required for bulk monthly debit order and daily refund batch runs.
- b) Details of unpaid debit orders to be provided daily with a reconciliation of accepted/rejected payments.

### 8.2. EXPENDITURE

This category represents transactions pertaining to Payroll, Accounts Payable and Sundry payments.

#### 8.2.1. SALARIES

- (i) This Bank Account (main account) is utilised for the payment of all salary related items, including third party payments (PAYE, Pension, and Medical Aid Deductions).
- (ii) All transactions debited or credited to this Bank Account (main account) must contain effective referencing for clear identification. In such instances the EFT batch number should be quoted in the text field. The same procedure is required for "Unpaid" EFT amounts relating to an individual employee payment.
- (iii) Monies to be recalled on the same day service.

#### 8.2.2. EXPENDITURE (Main account)

- (i) Electronic transfers are processed by Accounts Payable through the main account for the settlement of costs relating to goods and services.
- (ii) All transactions debited or credited to this Bank account must contain effective referencing for clear identification of amounts placed to the account. In such instances the EFT batch should be quoted in the text field for easy reference.
- (iii) The same procedure will be required for "Unpaid" amounts.
- (iv) Management of multiple users having varying levels of authority



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- (v) Transaction approval process
- (vi) Financial management support, such as importing data to the CGE accounting software. The CGE employee should be able to monitor all of their accounts in one place.
- (vii) Foreign exchange
  - Special fixtures for employee travelling abroad
  - The CGE should be able to do foreign payment online
  - The online banking solution for forex should allow the CGE to upload documents for all forex transactions once in order to avoid branches

### **8.2.3. PETTY CASH ACCOUNTS**

The purpose of the petty cash bank account is to meet the needs, on a daily basis, of the CGE personnel encountering authorized daily related expenses, allowable for reimbursement through petty cash.

- (i) Electronic transfers are processed through the main account for the petty cash account
- (ii) All transactions debited or credited to this Bank account must contain effective referencing for clear identification of amounts placed to the account. In such instances the EFT batch should be quoted in the text field for easy reference.

## **8.3. GENERAL**

The following category pertains to all bank accounts.

### **8.3.1. BANK CHARGES**

- (i) Bank Charges for all of the bank accounts in the name of the Commission for Gender Equality must be directed to the Main Bank Account.
- (ii) Invoices supported by detailed workings of the calculation of the bank charges must be supplied monthly.

### **8.3.2. BANK STATEMENTS**

- (i) Bank statements must be sent electronically in PDF format on a monthly basis and hard copies must be made available on request.

### **8.3.3. EXIT STRATEGY**

Should the existing bidder's contract not be renewed at the end of the contract period, the bidder will be required to provide services prior to the take-over of the new bidder, at the same terms and conditions, until such time that the CGE closes its existing bank accounts.



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#### **8.4. IT / PASTEL REQUIREMENTS**

##### **8.4.1. HOST-TO-HOST SOLUTION**

- (ii) A secure host-to-host solution (that can handle the CGE's transactional volumes) for the electronic transfer of the CGE's transactions from the CGE's PASTEL system to the bank and back needs to be provided.
- (iii) The host-to-host solution must be able to transfer electronic transactions from PASTEL to the bank's system and back without downloading the transactions to a user's PC.
- (iv) This solution needs to accept transactional files in the standard ACB/BankServ format/a format that can easily be created in the PASTEL environment (the successful bidder needs to provide the PASTEL ABAP programming code for this if the CGE does not have the code already).
- (v) A message indicating if the transmission was accepted needs to be returned within one hour.
- (vi) The system must be able to handle payment transactions of more than R1 000 000 (1 million rand) mixed with other smaller payment transactions in the same file.
- (vii) The system must be able to handle more than one payment file per day (no overwriting of previously sent file).
- (viii) The system must be able to handle payments to all other banks in one file.
- (ix) Security based on different user codes for the different business user groups need to be provided.
- (x) Item/Transaction limits, day limits, weekly limits, etc. needs to be provided per user code.
- (xi) An administrative system that will warn the CGE if any of the daily or weekly limits are close to being exceeded.
- (xii) File security via control totals and hash totals needs to be provided.
- (xiii) A file/directory naming convention should be utilized whereby the files/directory can easily be identified without looking at the contents of the file.
- (xiv) The transactions reflected in CGE's bank statement needs to be sent to the CGE on a daily basis.

##### **8.4.2. DESKTOP/DIRECT SOLUTION**

- (i) A desktop based online solution (utilizing modems or the internet as a communication medium) needs to be provided for ad hoc payments of small manual captured transaction volumes.
- (ii) This solution needs to have a built in two stage sign on and approving security mechanism.
- (iii) This solution can also be used as the backup solution to the host-to-host solution.



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- (iv) The solution needs to prompt the users every 30 or 40 days to change your password to the solution

### **8.4.3. REQUIREMENTS FOR BOTH THE HOST-TO-HOST AS WELL AS THE DESKTOP/DIRECT SOLUTION**

- (i) Where payments are sent in advance, it must be possible to cancel specific transactions via fax in emergency cases.
- (ii) A message/messages indicating rejected/unpaid transactions needs to be returned the next day or as soon as available.
- (iii) An online bank inquiry solution needs to be provided. This could be via the desktop/direct solution mentioned above.
- (iv) Must be possible to handle payments to banking institutions where a universal branch code is utilized.
- (v) Reference fields must be returned on all transactions that are rejected.
- (vi) Branch code verifications as well as CDV checks need to occur immediately after any transactions are sent.
- (vii) Normal internet e-mail will not be acceptable as a mode of transmission between the CGE and the bank.
- (viii) The CGE needs to be notified of any redirected transactions.
- (ix) All payment entries on the bank statement must show a unique reference number. For EFT payments it will be the EFT batch reference number.
- (x) Bank Charges and interest must be separately and uniquely coded by the bank. Any subsequent adjustments to these entries must bear the same reference number on the bank statements as the original entry.

### **8.4.4. PROTECTION AGAINST FRAUD**

The CGE requires to be protected against all forms of fraud relating to the receipt and payment of cash, and the processing of banking transactions. Such measures should include cheque verification, authorisation of EFT'S, password controls, bulk cash handling security, payment mandates, security of data, credit/debit transactions, etc.





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## 9. COMPLIANCE

- a) The bank must be South African registered bank in terms of THE BANKS ACT, 1990(Act No. 94 of 1990) (As amended).
- b) The bank must be authorized financial service provider
- c) The bank should be a member of "The Banking Association South Africa"
- d) The bank should be, in all material respect adhering to:
  - The Code of Banking Practice (CoBP)
  - Financial Sector Charter Code
  - Consumer Protection Act
  - National Credit Act
  - Financial Intelligent Centre Act
  - Financial Advisory and Intermediary Services Act

## 10. PAYMENT TERMS

The payment term of the CGE is determined by the bank. No upfront payments will be considered.

## 11. TENDER SUBMISSION AND CLOSING DATE

The original and a copy of the sealed tenders must be submitted into the official tender box located in the 2 Kotze Street, Women's Jail, East Wing, Constitution Hill, Braamfontein 2017 quote the tender reference number CGE T001/2014 on the sealed envelope.

### Note:

The tender awarded will be conditional and subject to successful negotiations and the signing of a written contract, failing which the CGE reserves the right to withdraw the tender and award the same to the next bidder without having to repeat the tender process. The CGE reserves the right to appoint, contract with and monitor the performance of any service provider it deems will offer the best service in line with its requirements, although it may not necessarily be the lowest Bidder. The CGE also reserves the right, in its sole discretion, to re-advertise, not to retender or not to award the tender.

**Late submitted tenders will not be considered.**

**Points will be awarded for Broad-Based Black Economic Empowerment.**

**The decision of the CGE Adjudication Committee on awarding a tender is final**

## 12. SUB-CONTRACTING

A bidder and/or the contract, or any portion thereof, or any share or interest therein, may not be transferred, assigned or granted to any other company without the specific written permission and conditions of the CGE.



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### **13. DEALING WITH THE COMMISSION FOR GENDER EQUALITY**

The Bidder shall not disclose any such information or specification, whether explicit or implied, to any third party without the written consent from the CGE.

### **14. MANDATORY REQUIREMENTS**

- (i) No tender will be considered unless submitted on this CGE tender document.
- (ii) Any portion of the tender document not completed will be interpreted as “not applicable”. Notwithstanding the foregoing, failure to complete any compulsory portion of the tender document may result in the tender being declared non-responsive.
- (iii) Tenders must be properly received and deposited, on or before the closing date and before the closing time, in the relevant tender box at the Tender Submission Office situated on the Venue: 2 Kotze Street, Women’s Jail, East Wing, Constitution Hill, Braamfontein 2017. If the tender submission is too large to fit in the allocated box, please enquire at the public counter for assistance. One hard copy of this official document with all the required accompanying documents and supporting documentation must be submitted.
- (iv) The CGE reserves the right to accept:
  - 1) the whole tender or part of a tender or any item or part of any item, or to accept more than one tender (in the event of a number of items being offered), and the CGE is not obliged to accept the lowest or any tender;
  - 2) a tender which is not substantially or materially different from the tender Specification.
- (v) The CGE shall not consider tenders that are received after the closing date and time for such a tender.
- (vi) The CGE will not be held responsible for any expenses incurred by bidders in preparing and submitting tenders.
- (vii) The CGE may, after the closing date, request additional information or clarification of tenders in writing.
- (viii) A bidder may request information, after the closing date, in accordance with the Promotion of Administrative Justice Act, Act 3 of 2000, and the Promotion of Access to Information Act, Act 2 of 2000.
- (ix) A bidder may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the CGE after consideration of the reasons for the withdrawal, which shall be fully set out by the bidder in such written request for withdrawal.



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### (x) Validity Period.

1. Any tender submitted shall remain valid, irrevocable and open for written acceptance by the CGE for a period of 120 (one hundred and twenty) days from the closing date or for such extended period as may be applicable.
2. The tender offer will not be withdrawn or amended during the aforesaid validity period.
3. The aforesaid validity period may be extended by the Financial Manager: Supply Chain Management, provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.
4. Bidders who fail to respond to such a request before the validity of their tender expires, or who decline such a request shall not be considered further in the evaluation process.
5. In the event that an appeal in terms of the Systems Act 32 of 2000 is received, the validity period of the tender shall be deemed to be extended until finalisation of the appeal; unless the bidder has requested in writing that its tender be withdrawn.

### (xi) The Commission for Gender Equality supplier Database.

1. No awards will be made to a bidder who is not registered on the CGE's supplier Database.
2. Bidders must be registered within 7 days of being requested to do so. Registration forms may be:
3. collected from 2 Kotze Street, Women's Jail, East Wing, Constitution Hill, Braamfontein 2017
4. It is each vendor's responsibility to keep all the information on the CGE Vendor Database updated. If any information required (e.g. tax clearance certificate, proof of CIDB registration, etc.) is not valid or has expired, all transactions with the vendor may, in the sole discretion of the CGE, be suspended until such time as the correct, verified information is received.

### (xii) Tax clearance.

1. No award shall be made to a person whose tax matters have not been declared to be in order by the South African Revenue Service (SARS).
2. Bidders are therefore required to obtain a valid Tax Clearance Certificate from the local SARS office where such bidder is registered for income tax/VAT purposes.



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3. It is the responsibility of each supplier (successful bidder) to submit updated original tax clearance certificates to the Supplier Management Office. Failure to do so may lead to the suspension of transactions with the supplier until a valid tax clearance certificate is received by the Supplier Management Office.
4. Each party to a consortium/joint venture/partnership must comply with all of the above.
5. Inducements, rewards, gifts and other abuses of the Supply Chain Management System

(xiii) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of, may directly or indirectly:

Influence or interfere with the work of any CGE officials involved in the tender process in order to inter alia:

- a. influence the process and/or outcome of a tender;
- b. incite breach of confidentiality and/or the offering of bribes;
- c. cause over- or under-invoicing;
- d. influence the choice of procurement method or technical standards;
- e. Influence any CGE official in any way which may secure an unfair advantage during or at any stage of the procurement process.

Abuse of the supply chain management system is not permitted and may result in the tender being rejected, cancellation of the contract, "blacklisting" and/or any such remedies as set out in the CGE's SCM Policy.

(xiv) Declarations and authorisation.

Bidders are required to complete all statutory declarations and authorisations in the annexures attached to this tender document, failing which the tender may be declared non-responsive.

(xv) Samples

If the Specification requires the bidder to provide samples, these shall be provided strictly in accordance with the instructions set out in the Specification.



## 15. EVALUATION CRITERIA

Bids invited on the basis of functionality as a criterion are evaluated in two stages – first functionality is assessed and then in accordance with 90/10 preference point systems prescribed in Preferential Procurement Regulations 5 and 6.

### 15.1. Invalid Tenders

Tenders shall be invalid, and shall be endorsed and recorded as such in the tender opening record by the responsible official (appointed by the Financial Manager: Supply Chain Management to open the tenders), if the:

- 15.1.1. tender is not sealed;
- 15.1.2. tender, including the tender price (where applicable), is not submitted on the official CGE tender document;
- 15.1.3. tender is not completed in non-erasable ink;
- 15.1.4. Tender Offer and/or Contract Form have not been signed;
- 15.1.5. Tender Offer and/or Contract Form are signed, but the name of the bidder is not stated, or is indecipherable; or
- 15.1.6. Bidder, in a two-envelope system, fails to submit both a technical proposal and a separate, sealed financial offer.

### 15.2. Non-Responsive Tenders

- 15.2.1. Valid tenders will be declared non-responsive and eliminated from further evaluation if:
  - a) The bidder has been listed on the national Treasury's Register for Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004, or has been listed on the national Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector.
  - b) The tender does not comply with the Specification.
  - c) The tender does not comply with the instructions as contained in the Price Schedule.
  - d) The bidder has not achieved the minimum functionality scoring/points as set out in the tender document (if applicable).
- 15.2.2. Tenders will be declared non-responsive if the bidder fails to adhere to a written request (within the specified period set out in such request) to:
  - a) Comply with the general conditions applicable to tenders as set out in the CGE's SCM Policy;



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- b) Comply with one or more of the provisions contained in the Conditions of Tender.
- c) Comply with any other terms and conditions of the tender as contained in the tender document;
- d) Complete and/or sign any declarations and/or authorisations;
- e) Register on the CGE's Vendor Database;
- f) Submit an original and valid tax clearance certificate from the South African Revenue Services (SARS) certifying that the taxes of the bidder are in order, or written confirmation from SARS that suitable arrangements have been made with SARS;

### 15.3. Evaluation of Tenders

All tenders received shall be evaluated in accordance with the Public Finance Management Act, Act 29 of 1999 (read with its accompanying supply chain management regulations), the CGE's SCM and the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations).

### 15.4. Functionality Scoring

15.4.1. Tenders will be evaluated for functionality on the following objective criteria:

#### 15.4.1.1. Section 1: Transactional Banking

Category	Criteria	Weight
1	Technical compatibility	30
2	<b>Implementation Plan and time scales:</b>	<b>10</b>
2.1	Implementation and time scales	5
2.2	Implementation Costs	5
3	Operational efficiency and user friendliness	10
4	Corporate structure and strength of Bidder	5
5	Other banking facilities offered	5
	<b>Total points</b>	<b>60</b>



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No tender will be regarded as an acceptable / responsive tender if it fails to score in any of the identified critical requirements and if it fails to achieve the minimum qualifying score for functionality of 40 out of a maximum of 60.

The information requested on the following pages should be supplied by the bidders for the purposes of evaluation in terms of the above functionality scoring above.

The applicable values/points guide below will be used for the allocation of functionality points:

- Does not meet requirements.....0 points
- Meets requirements.....3 points
- Exceeds requirements.....5 points

THE RESPONSES SHOULD BE IN ACCORDANCE WITH AND IN THE ORDER OF THE FOLLOWING CRITERIA (AND CLEARLY REFERENCED TO THE CATEGORIES AS INDICATED IN THE TABLE BELOW).

<b>TECHNICAL COMPATIBILITY</b>	<b>YES</b>	<b>NO</b>	<b>Date to be implemented</b>
<b>Income</b>			
No acceptance of deposits without identifier.			
Validation of identifier.			
Rejection of invalid deposits.			
Any adjustment must show original identifier.			
A single deposit facility for multiple Commission account payments.			
<b>Expenditure</b>			
Any adjustment must show original identifier			
All payment entries to show a unique reference number			
<b>Bank reconciliations</b>			
All bank statement transactions require to be correctly referenced to facilitate Pastel Evolution reconciliation			



TECHNICAL COMPATIBILITY	YES	NO	Date to be implemented
process.			
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<b>Host-to-Host Solution</b>			
Secure host-to-host solution that can handle the CGE's transactional volumes.			
Transfer electronic transactions from Pastel Evolution to the bank's system without downloading the transaction to a user's PC			
Accept files in the standard ACB/BankServ format / a format that can easily be created in the Pastel Evolution environment.			
Handle payment transactions of more than R1 000 000.00 mixed with other smaller payment transactions in the same file.			
Handle more than one payment file per day (no overwriting of previously sent file).			
Handle payments to all banks in one file.			
Item/Transaction limits, day limits, weekly limits, etc. per user code			
File security via control totals and hash totals			
File/directory naming convention whereby the files/directory can easily be identified without looking at the contents of the file.			
Use of a system of transmission and sequence numbers that prevent the accidental duplication of a transmission file (if the file was sent twice).			
Bank statement file in a format that can easily be created in the Pastel Evolution environment			
<b>External Transaction Codes</b>			
A complete list of external transaction codes used must be submitted.			
Supplied in hardcopy and electronic format (in Excel) on a CD.			
List contains the correct columns.			
<b>Possible future innovations</b>			





TECHNICAL COMPATIBILITY	YES	NO	Date to be implemented
Other relevant innovations for implementation by the bank			
<b>TOTAL CATEGORY 1</b>			
<b>WEIGHTED CATEGORY 1</b>			
<b>IMPLEMENTATION PLAN AND TIME SCALES</b>			
A programme for implementation of the required banking services including a marketing/publicity strategy.			
Provide timescales for implementation.			
<b>Implementation costs:</b>			
Any additional computer hardware or software (and its cost to the CGE, if applicable) that the CGE must acquire in order for the proposed banking systems to interface with Pastel Evolution and / or to operate at the required level of efficiency, and			
The training requirements (and its cost to the CGE, if applicable) for CGE's staff to use the proposed banking systems.			
<b>TOTAL CATEGORY 2</b>			
<b>WEIGHTED CATEGORY 2</b>			
<b>OPERATIONAL EFFICIENCY &amp; USER FRIENDLINESS</b>			
<b>Income</b>			
Deposits received by the Bank's Cash Centre at any time during the day must be given same day value.			
Bank charges or interest accrued to be directed to the Main Bank Account.			
<b>Bank reconciliation</b>			
Bank statements must be sent electronically in PDF format on a monthly basis and hard copies must be made available on request.			
Unpaid items must be debited individually on the Bank			



TECHNICAL COMPATIBILITY	YES	NO	Date to be implemented
Statements and bear the same unique identifier reference as the original deposit.			
<b>Treasury</b>			
Interest and bank charge details on a daily basis.			
All Bank charges and interest to the Main Bank account.			
Electronic invoices supported by detailed workings of the calculation of the bank charge must be supplied monthly.			
<b>Host-to-Host Solution</b>			
Message indicating if the transmission was accepted needs to be returned within one hour.			
An administrative system that will warn the CGE if any of the daily or weekly limits are close to being exceeded.			
<b>Expenditure</b>			
Report on all successful transfers.			
Report on all unsuccessful transfers together with identifiers indicating vendor name and value.			
<b>Desktop/Direct Solution</b>			
Prompt the users regularly to change their password to the solution			
<b>Host-to-Host Solution and Desktop/Direct Solution</b>			
Where payments are sent in advance it must be possible to cancel specific transactions via e-mail in emergency cases			
A message / messages indicating rejected/unpaid transactions returned the next day or as soon as available.			
Reference fields returned on all transactions that are rejected.			
Branch code verifications as well as a CDV checks occur immediately after any transactions are sent			
Normal internet e-mail not used as mode of transmission between the CGE and the bank.			



TECHNICAL COMPATIBILITY	YES	NO	Date to be implemented
Able to accept transactions between the hours of at least 06:00 and 20:00 on work days, including Saturdays (as long as the CGE keeps within the bank serv cut-off times for the specific service).			
The CGE notified of any redirected transactions			
All payment entries on the bank statement must show a unique reference number.			
Bank Charges and interest must be separately and uniquely coded by the bank. Any subsequent adjustments to these entries must bear the same reference number on the bank statements as the original entry.			
<b>Host-to-Host Solution and Desktop/Direct Solution</b>			
System must provide the following services: same day, one day, two day and five day as well as a warehousing service of future dated transmissions (at least 30 days in advance).			
Bank should be prepared for parallel runs for up to two months before Go- Live.			
<b>Fraud protection</b>			
Measures to be instituted to protect the CGE against all forms of fraud.			
<b>TOTAL CATEGORY 3</b>			
<b>WEIGHTED CATEGORY 3</b>			
<b>CORPORATE STRUCTURE &amp; STRENGTH OF BIDDER</b>			
Audited financial statements.			
Most recent published credit rating report by independent credit rating agency			
Details of relationship banking structure and operation.			
A dedicated support team to maintain and service all banking queries			
Details of the following in respect of the branch which			



TECHNICAL COMPATIBILITY	YES	NO	Date to be implemented
will be designated as the home branch of the CGE's main bank account:			
<ul style="list-style-type: none"> <li>Name and physical location</li> </ul>			
<ul style="list-style-type: none"> <li>Facilities and services available</li> </ul>			
<ul style="list-style-type: none"> <li>Afterhours access to Branch</li> </ul>			
<ul style="list-style-type: none"> <li>Dedicated operational/technical support.</li> </ul>			
<ul style="list-style-type: none"> <li>Management structure, names and positions</li> </ul>			
<ul style="list-style-type: none"> <li>Staffing numbers and structures</li> </ul>			
<b>CORPORATE STRUCTURE &amp; STRENGTH OF BIDDER</b>			
Details of the following in respect of the branch which will be designated as the home branch of the CGE's main bank account:			
<ul style="list-style-type: none"> <li>IT (financial) systems, back-up facilities including disaster management.</li> </ul>			
<b>TOTAL CATEGORY 4</b>			
<b>WEIGHTED CATEGORY 4</b>			
<b>OTHER BANKING FACILITIES OFFERED</b>			
Travel card facility.			
Foreign currency.			
Any other banking services not mentioned by the Commission that might be relevant.			
<b>TOTAL CATEGORY 5</b>			
<b>WEIGHTED CATEGORY 5</b>			
<b>GRAND TOTAL</b>			



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**POSSIBLE FUTURE INNOVATIONS**

The Bidders are requested to give their comments on possible future innovations available for implementation by the bank

**15.5. Price and Preference Evaluation**

Bidders who score more than **40 points** will be evaluated further in terms of Price and Preference points (B-BBEE status level of contributor). As per the table below, price is evaluated over 90 points and preference points over 10:

<b>Price Assessment</b>	<b>90 Points</b>
<b>Preferential Elements</b>	<b>10 Points</b>
B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0



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## 16. Disclaimer Information

The Commission for Gender Equality reserves the right to cancel this tender for whatever reason it may deem fit or to select only parts of the solution it feels will be beneficial and/or cost justified. These instructions outline the format of the proposal and describe the approach for presentation of data. The instructions are designed to ensure uniformity for ease of evaluation and that the required information is included.

The instructions are not intended to limit the contents since they identify minimum requirements and permit the inclusion of pertinent data or information, at the supplier's discretion. I.e. Bidders should submit solutions based on their experience, business knowledge of the industry and what would be considered 'best practice' for the Commission for Gender Equality.

The proposal must contain a covering letter signed by an officer or representative who is authorised to bind the said bidder to the provisions and process quoted.



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## 17.SPECIAL CONDITIONS OF CONTRACT

**THESE SPECIAL CONDITIONS OF CONTRACT (SCC) SUPPLEMENT AND MUST BE READ WITH THE CORRESPONDING PROVISIONS OF THE GENERAL CONDITIONS OF CONTRACT (GCC) ISSUED BY THE NATIONAL TREASURY.**

**WHENEVER THERE IS A CONFLICT BETWEEN THE SCC AND THE GCC, THE PROVISIONS OF THE SCC SHALL PREVAIL.**

### 1.1. Standards

Failure to comply with the standards and Specification as set out in the tender document shall constitute a material breach of this Contract, in which case the CGE reserves the right to cancel the Contract.

### 1.2. Guarantee /Performance Security – Clause 7 of the GCC

NOT APPLICABLE

### 1.3. Insurance – Clause 11 of the GCC

NOT APPLICABLE

### 1.4. Prices/Price Adjustment – Clause 17 of the GCC

The Contract Price shall be SUBJECT TO CONTRACT PRICE ADJUSTMENT.

1.4.1. The bidder shall complete Annexure 4.

1.4.2. Failure to complete Annexure 4 may result in the tender being declared non-responsive, or prices will be deemed to be subject to zero-rated contract price adjustment.

1.4.3. Contract prices will be subject to price adjustment strictly in accordance with Annexure 4.

1.4.4. If the Contract price is (also) subject to variations in rate of exchange the tender SHALL complete the appropriate section in Annexure 4, failing which no claim for contract price adjustment on the basis of rate of exchange variations will be granted.

1.4.5. Any claim for an increase in the Contract price shall be submitted in writing prior to the date upon which the price adjustment would become effective

1.4.6. The CGE reserves the right to withhold payment of any claim for contract price adjustment while only provisional figures are available and until the final (revised) figures are issued by the relevant authority.



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1.4.7. When submitting a claim for contract price adjustment a supplier shall indicate the actual amount claimed for each item. A mere notification of a claim for contract price adjustment without stating the new price claimed for each item shall, for the purpose of this clause, not be regarded as a valid claim.

1.4.8. The CGE reserves the right to request the supplier to submit auditor's certificates or such other documentary proof as it may require in order verifying a claim for contract price adjustment. Should the supplier fail to submit such auditor's certificates or other documentary proof to the CGE within a period of 30 (thirty) days from the date of the request, it shall be presumed that the supplier has abandoned his claim.

1.5. Contract Amendments – Clause 18 of the GCC

The CGE, in its sole discretion, shall be entitled to increase the contract period or the contract sum, subject to the relevant provisions of the SCM Policy and Public Finance Management Act, Act 29 of 1999.

1.6. Penalties – Clause 22 of the GCC

NOT APPLICABLE.

1.7. Settlement of Disputes – Clause 27 of the GCC

1.8. Should the parties fail to resolve any dispute by way of mutual consultation as contemplated in clause 27.1 of the GCC, either party shall be entitled to refer the matter for mediation before an independent and impartial person appointed by the Accounting Officer. The mediator's ruling shall become final and binding on the parties only to the extent that it is correctly recorded as being agreed by the parties in writing. Save for reference to any portion of any settlement or decision which has been agreed to be final and binding on the parties, no reference shall be made by or on behalf of either party, in any subsequent court proceedings, to any outcome of an amicable settlement by mutual consultation, or to the fact that any particular evidence was given, or to any submission, statement or admission made in the course of amicable settlement by mutual consultation or mediation.

Should it not be possible to settle a dispute by means of mediation, it shall be settled in a South African court of law as contemplated in clause 27.3 of the GCC.





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1.9. Limitation of Liability- Clause 28 of GCC

1.9.1. Without detracting from, and in addition to, any of the other indemnities in this Contract, the supplier shall be solely liable for and hereby indemnifies and holds the CGE harmless against all claims, charges, damages, costs, actions, liability, demands and/or proceedings and expense in connection with:

- a. personal injury or loss of life to any individual;
- b. loss of or damage to the property of any individual;

arising from, out of, or in connection with the provision by the supplier in terms of this Contract, save to the extent caused by the gross negligence or wilful misconduct of the CGE.

1.9.2. The supplier and/or its employees, agents, concessionaires, suppliers, contractors or customers shall not have any claim of any nature against the CGE for any loss, damage, injury or death which any of them may directly or indirectly suffer, whether or not such loss, damage, injury or death is caused through the negligence of the CGE or its agents or employees.

1.9.3. Notwithstanding anything to the contrary contained in this Contract, under no circumstances whatsoever, including as a result of its negligent (including grossly negligent) acts or omissions or those of its servants, agents or contractors or other persons for whom in law it may be liable, shall any party or its servants (in whose favour this constitutes a stipulatio alteri) be liable for any indirect, extrinsic, special, penal, punitive, exemplary or consequential loss or damage of any kind whatsoever (whether the loss was actually foreseen or reasonably foreseeable) sustained by the other party, its directors and/or servants, including but not limited to any loss of profits, loss of operation time, corruption or loss of information and/or loss of contracts.

1.9.4. Value Added Tax – Clause 32 of the GCC

1.9.5. Where a supplier, in the course of carrying on business, delivers taxable supplies exceeding R1 million, the supplier must be registered with the South African Revenue Service for value added tax (VAT) purposes. The supplier's attention is drawn to Section 23 of the Value Added Tax Act, Act 89 of 1991. Failure to comply with Act 89 of 1991 shall constitute a material breach of the Contract.



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It is the responsibility of the supplier to submit updated original tax clearance certificates to the Supplier Management Office, should any current certificate expire during the contract period. Failure to do so may lead to the suspension of transactions with the supplier until a valid tax clearance certificate is received (during which time the CGE reserves the right to obtain the relevant goods or services from alternative sources).



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## 18. GENERAL CONDITIONS OF CONTRACT

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33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

## **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 or her 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 in which an enterprise abroad is subsidised 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 recognised 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 with 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 consignee's 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.



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- 1.11. "Dumping" occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin, and which action has the potential to harm the local industries in the RSA.
- 1.12. "Force majeure" means an event beyond the control of the supplier, not involving the supplier's fault or negligence, and not foreseeable. Such events may include, but are 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.



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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.

**3.1.** With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

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



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- 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 the use of the goods or any part thereof by the purchaser.

**7. Performance Security**

- 7.1. Within 30 (thirty) 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 the 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 30 (thirty) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in the SCC.

**8. Inspections, tests and analyses**

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



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- 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 of such 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 analysed 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 the 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





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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 the 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 the SCC.

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

- a. performance or supervision of on-site assembly, and/or commissioning of the supplied goods;
- b. furnishing of tools required for the 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



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- 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 the 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 12 (twelve) 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 18 (eighteen) 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 the SCC.

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



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15.4. Upon receipt of such notice, the supplier shall, within the period specified in the 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 the

15.6. 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 the SCC.

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

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

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



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**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 the 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 or her 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 of supplies; or to have minor essential services executed if an emergency arises, or 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.



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**22. Penalties**

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

**23. Termination for default**

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

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

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

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

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



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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 5 (five) 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, Act 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 of 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 subsidised 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 or she 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 or her.



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**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 notify the purchaser promptly, 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 such dispute or difference amicably, by mutual consultation.

27.2. If, after 30 (thirty) 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 here in

- 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 to the supplier.



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**28. Limitation of Liability**

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

- a. the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- b. the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

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

**30. Applicable Law**

30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified in the 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, licence fees, and other such levies imposed outside the purchaser's country.

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





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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, Act 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, Act 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 10 (ten) years and/or claim damages from the bidder(s) or contractor(s) concerned.



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## 19. ANNEXURES

### ANNEXURE 1

#### PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

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#### 1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	<b>POINTS</b>
<b>1.3.1.1 PRICE</b>	<b>90</b>
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>10</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>



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- 1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.5. The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- 2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” 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;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with annual total revenue of R5 million or less.
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;



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- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.



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**4. POINTS AWARDED FOR PRICE**

**4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

**80/20 or 90/10**

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

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid

**5. Points awarded for B-BBEE Status Level of Contribution**

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0



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- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

## 6. BID DECLARATION

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



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**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

7.1 B-BBEE Status Level of Contribution: ..... = ..... (Maximum of 10 points) (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

**8 SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?.....%
- (ii) the name of the sub contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm .....

9.2 VAT registration number :

9.3 Company registration number .....

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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



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### 9.6 COMPANY CLASSIFICATION

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? .....

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution





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**WITNESSES:**

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDER(S)

DATE:.....

ADDRESS:.....

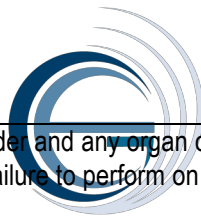
.....



**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).  <b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		



4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

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### CERTIFICATION

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

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**



## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state\*, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, shareholder etc): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

\* "State" means –

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



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

2.7.1 If so, furnish the following particulars:

Name of person / director / shareholder/ member .....

Name of state institution to which the person is connected: .....

Position occupied in the state institution: .....

Any other particulars:  
.....  
.....

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

2.8.1 If so, furnish particulars:  
.....  
.....  
.....

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

If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors /shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES / NO**



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2.11.1 If so, furnish particulars:

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

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

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

**DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder



## Contract Price Adjustment & Rate of Exchange Variations

1. Bidders are requested to quote firm prices effective 01 April 2015 for a period of 12 months.  
The dates of future annual reviews and their notice periods shall be detailed in a covering letter. Any future increases in these prices during the five year contract period shall be inflation linked. Bidders are requested to quote a formula, referenced to Statistics South Africa CPI index, which shall be used for calculating any future annual price increases on the dates of annual review.
2. Separate prices shall be submitted for each item reflected on the pricing schedule (pages 10 – 12) and the method of calculation of the prices quoted must be attached to the tender document.
3. Any costs applicable to implementation of new banking systems and procedures, including the cost of training the CGE staff, computer hardware and software etc. should be shown separately from transaction costs.
4. All prices shall be VAT EXCLUSIVE.



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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





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**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

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

I certify, on behalf of : \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.



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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder



### List of other documents attached by the bidder

The bidder has attached to this schedule the following additional documentation:		
	Date of Document	Title of Document or Description
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
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17		
18		