



**AGRICULTURAL RESEARCH COUNCIL**

**REQUEST TO TENDER FOR:**

**TENDER NO: ARC/03/07/2023**

**FIRE ENGINEERING SERVICES FOR THE CONSTRUCTION OF FOOT AND MOUTH DISEASE VACCINE FACTORY AT OVR.**

Closing Date: **18 August 2023**

TIME: **11:00**

**Bidder's Name:**.....

**Central Supplier Database number:** .....

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## 1. OVERVIEW

The Agricultural Research Council (ARC) is a Research Science and Technology institution of excellence in South Africa, which operates within the National System of Innovation. The ARC has a mandate for innovative and creative agricultural research, technology development and transfer aimed at the advancement of South African agriculture. Its operations are overseen by the ARC Council which is appointed by and accountable to the Minister for Agriculture, Forestry and Fisheries.

The Agricultural Research Council (ARC) invites suitably qualified and experienced service providers to assist with the Fire Engineering Services for the construction of foot and mouth disease vaccine factory at OVR.

## 2. TENDER SUBMISSION

Completed and sealed tender submissions reflecting “**ARC/03/07/2023 and the name of the tenderer**” must be deposited into the Tender Box located at **1134 Park Street, Hatfield, Pretoria** for the attention of: “The Senior Supply Chain Manager”, **by no later than 11:00 (eleven o’clock) on 18 August 2023.**

Tender documents submitted after the closing time and date specified will not be considered. ***No submissions sent by email or facsimile will be accepted.***

Bidders are requested to submit two (2) complete documents into the tender box (one original functionality proposal and one original for financial proposal) and prepare **three (3) copies of the functionality proposal and three (3) copies of the financial proposal.** One USB of the functionality and One USB of the financial proposal should also be submitted. The “two envelope system” will be used for this tender. One envelope shall be clearly marked “Functionality Proposal” and another be clearly marked “Financial Proposal”. The name of the bidder and the tender number should reflect on the “sealed” envelopes.

Email: [zondomp@arc.agric.za/scm@arc.agric.za](mailto:zondomp@arc.agric.za/scm@arc.agric.za)

**Closing Date: 18 August 2023**

**Closing Time: 11h00**

## **1.1 PURPOSE OF THE TENDER**

The purpose of this bid tender is to invite suitably qualified and experienced service provider(s) to submit bid proposals for the Fire Engineering services in the construction of the new Foot and Mouth Disease (FMD) vaccine, at the Onderstepoort Veterinary Research campus of the Agricultural Research Council.

## **1.2 BACKGROUND**

The Onderstepoort Veterinary Research (OVR) institute mandate is to promote animal health and welfare by providing effective and efficient diagnostic services and by producing vaccines against Foot and Mouth Disease and tick-borne diseases.

Foot and Mouth Disease is a highly infectious viral disease of split (cloven) hooved animals including, cattle, sheep, goats and pigs. The disease has a high economic impact owing to the trade embargoes on livestock and livestock products (meat, milk products, hides, etc.) imposed by importing countries, on a country experiencing an outbreak of the disease. Since the disease is endemic to certain regions in South Africa, it is registered as a controlled disease, under the Animal Diseases Act, Act No. 35 of 1984. Operations of vaccine manufacturing, which involves virus proliferation, are produced and conducted in high containment biosafety (BSL) facilities.

The ARC has a mandate to prepare and supply the vaccine to the Department of Agriculture, Land Reform and Rural Development (DALRRD) and therefore intends to build, by the year 2025/2026 Financial period, a new vaccine production factory at Onderstepoort, which will be cGMP, PIC/s and Biosafety complaint.

## **1.3 OBJECTIVES**

The ARC's primary objective for the tender is seeking proposals to select a suitable bidder for the fire engineering services of the construction of the FMD factory at ARC OVR – campus in order to address the challenges of the FMD in South Africa and beyond.

## **1.4 SITE LOCATION**

GPS Location -25.650173° S, 28.187228°E

Physical address: Transboundary Animal Diseases Campus, 100 Old Soutpan Road, Onderstepoort, 0110

## **1.5 REGULATORY COMPLIANCE(S)**

The installation of the work must be in accordance with the relevant conditions as set out in the Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended.

Regulatory compliance is critical from a number of perspectives. Firstly, in order to gain permission to operate the facility in South Africa the designed facility for handling infectious animal's diseases such as FMD, is required to conform the control measures of a high containment environment, as set by the World Organization for Animal Health (WOAH), to ensure that there is no escape of pathogens from the facilities into the environment. Secondly, the facility should be designed to allow implementation of current Good Manufacturing practices (cGMP), administered in South Africa by the South African Health Products Regulatory Authority (SAHPRA) according to the international Pharmaceutical Inspection/Cooperation Scheme (PIC/S) guidelines. For these reasons, the ARC must comply with both the Biosafety and the cGMP- PIC/S Guidelines in designing the production factory and its ancillaries, as well as in producing veterinary biological products complying with these standards

Previous WHO biosafety guidance manuals have been misinterpreted to require biosafety level 3 for handling agents in risk group 3. The actual risk of a given scenario is influenced not only by the agent being handled, but also by the procedure being performed and the competency of the laboratory personnel engaging in the laboratory activity. The fourth edition of the WHO LBM 4 builds on the risk assessment framework introduced in the third edition. A thorough, evidence-based, and transparent assessment of the risks is required and will allow safety measures to be balanced with the actual risk of working with biological agents on a case-by-case basis. This will enable the ARC to implement economically feasible and sustainable laboratory biosafety and biosecurity policies and practices that are relevant to local circumstances and priorities. The Risk Assessment process is expected to reveal a requirement for a blend of heightened and maximum control measures. These are expected to equate to the environmental controls required by the R178 for a BSL laboratory with enhancements. In addition to these regulations, the building must comply with National and Municipal building regulations.

## **1.6 ACCESS TO THE PRODUCTION FACILITY**

Unauthorised persons will not be allowed in the facility during installations. Persons entering the facility will require prior clearance in line with biosecurity regulations of the facility. In addition, these persons may be subjected to quarantine/movement restrictions, i.e. not allowed to be in contact with cloven-hooved animals (cattle, sheep, goats and pigs, as well as wild animals) or areas where feed for such animals is sold or stored, in line with the existing biosecurity restrictions after the last visit of the facility. Under no circumstances may any person be allowed to sleep or keep any possessions (material) on the installation site during the project period or thereafter unless prior arrangement is made.

## **1.7 SITE-BRIEFING MEETING**

There is no site-briefing meeting that will be convened on this tender.

## **1.8. TENDER SUBMISSION**

The following documents need to accompany the proposal:

- A valid Tax PIN Number from SARS.
- Current Central Supplier Database (CSD Report) showing a valid tax compliant status for the duration of the bidding process.
- Complete and signed all the Standard Bidding Documents (SBD forms).
- Professional Indemnity Insurance Cover of not less than R 5 (five) million, valid and active at the time of submission or letter of intention to increase the value to R5, (five) million.
- Certificate of registration of the Lead Engineer by the Engineering Council of South Africa (ECSA).
- Signed and completed Form of Offer and Acceptance

**Failure to adhere to the above and proof of the adherence not available at the time of the Bid Evaluation meeting will disqualify your bid.**

**N.B Bidders that are involved in the current FMD project/s are not allowed to bid for this project.**

## **PART 2: TECHNICAL SPECIFICATIONS**

### **2. Project Description**

The proposed new vaccine factory covers the area of 9 400 m<sup>2</sup> General Building Area on three (3) levels with soft roof and part of roof slab which will accommodate services, including related external works

The project includes the design and development of a greenfield factory situated adjacent to the existing vaccine production building, as well as the development of a vaccine production line with related process controls, management, and recordings. In addition, support services/ ancillaries including. process steam, clean-steam, clean-in-place, water for injection and wastewater systems.

The building and designed processes are to comply with the prescripts of the current national building regulations (NBR), South African Health Products Regulatory Authority (SAHPRA); the Pharmaceutical Inspection Cooperation Scheme (PIC/S) Good Manufacturing Practice (GMP) guidelines and International Office of Epizootics (OIE), and World Health Organisation (WHO) standards and Good clinical practice

(GCP). Thus, the premises and process equipment are to be designed and validated to the PIC/S GMP Guidelines, which encompass veterinary vaccine production facilities.

To achieve this, the services of an accredited/certified fire engineer are required to work with the existing team of mechanical, electrical, civil and structural and, process engineers as well as Quantity Surveyors (QS) and wet engineering services.

### **3. SCOPE OF SERVICES RELATED TO FIRE ENGINEERING WORKS**

#### **3.1. General**

The Fire Engineering Services shall include, but not be limited to, the standard scope of services defined by the Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 46 of 2000.

Notwithstanding the Engineering Professions Act 46 of 2000, the fire engineer shall comply with the definitions and prescripts of the Engineering Council of South Africa (ECSA):

- Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 46 of 2000
- Overarching Code of Practice for the Performance of Engineering Work, Engineering Profession Act, 2000 Code of Conduct for Registered Persons, Gazette no. 40691, dated 17 March 2017 as Board Notice 41 of 2017
- PROCSA (Professional Client / Consultant Services Agreement)

The responsibilities of a fire engineer shall include:

- Development of the fire safety strategy of the project (Project Fire Plan)
- Inform the whole design team on fire safety matters
- Provide design guidance to architects and engineers
- Advise building services engineers on required systems such as smoke ventilation and fire dampers.
- Advise structural engineers on how long a structure must be protected and how that is to be achieved
- Designing required systems such as fire detection, smoke alarms, emergency lighting and sprinkler systems.
- Liaise with building authorities to discuss fire safety aspects and gain approval for a fire-safe building that also meets its aesthetic, functional and commercial objectives
- Ensure that the building design meets national fire safety codes and regulations.

- Developing evacuation plans
- Identify potential process and material fire hazards and recommend measures to reduce the risk of fire.
- Documenting and training client on fire safety procedures.

#### **4. Planning, Studies, Investigations and Assessments**

These typical services relate to carrying out studies and investigations as well as the preparation and submission of reports embodying preliminary proposals or initial feasibility.

- 4.1. Consultation with the client or Clients appointed Principal Agent for the project.
- 4.2. Inspection of the site of the project.
- 4.3. Receive and review developed scope-of-work by the appointed team by ARC
- 4.4. Preliminary investigation, planning and a level of design appropriate to the general scope of services.
- 4.5. Allow decisions on feasibility and the selection of the most desirable project option.
- 4.6. Assessments of existing built environment elements with a view to developing operations and maintenance options and strategies, informing capital project options and related scope of work for the project
- 4.7. Consultation with local fire department and authorities having rights or powers of sanction
- 4.8. Consultation with authorities having rights or powers of sanction as well as consultation with the public and stakeholder groups.
- 4.9. Advise the client as to regulatory and statutory requirements related to the scope of work, including environmental screening management and the need for surveys, analyses, tests and site or other investigations, as well as approvals, where such are required for the completion of the report, and arranging for these to be carried out at the client's expense.
- 4.10. Searching for, obtaining, investigating, and collating available data, drawings and plans relating to the works.
- 4.11. Investigating financial and economic implications relating to the proposals or feasibility studies.

#### **Deliverables will include:**

- Collation of information.
- Reports on options, technical and financial feasibility, and related implications.

- List of consents and approvals.
- Schedule of required surveys, tests, analyses, site and other investigations.

## 5. Stage 1 – Inception

(Defined as: Establish client requirements and preferences refine user needs and options, appointment of necessary consultants, and establish the project brief including project objectives, priorities, constraints, assumptions aspirations and strategies)

- 5.1. Assist in developing a clear project brief
- 5.2. Attend all project meetings.
- 5.3. Advise on the rights, constraints, consents and approvals.
- 5.4. Define the services and scope of work required.
- 5.5. Conclude the terms of **the agreement** with the client.
- 5.6. Inspect the site and advise on the necessary surveys, analyses, tests and site or other investigations where such information will be required for Stage 2 including the availability and location of related infrastructure and services.
- 5.7. Determine the availability of data, drawings and plans relating to the project.
- 5.8. Advise on criteria specific to own scope of work that could influence the project life cycle cost significantly.
- 5.9. Provide necessary information within the agreed scope of the project to other consultants involved

### **Deliverables will include:**

- Agreed services and scope of work.
- Signed agreement.
- Report on project, site and functional requirements.
- Give templates and data of similar projects to be applied on this development
- Schedule of required surveys, tests, analyses, site and other investigations.
- Schedule of consents and approvals and related lead times.
- Advise on project, site and functional requirements
- Report on location and availability of existing infrastructure
- Schedule of information provided to other consultants within the team

## 6. Stage 2 – Concept and Viability (also termed Preliminary Design)

(Defined as: Prepare and finalise the project concept in accordance with the brief, including

Project scope, scale, character, form and function, plus preliminary programme and viability of the Project)



- 6.1. Agree documentation programme with principal consultant/agent and other professional team consultants involved
- 6.2. Attend all design and consultants' meetings.
- 6.3. Establish the concept design criteria.
- 6.4. Prepare initial concept design and related documentation.
- 6.5. Advise the client regarding further surveys, analyses, tests and investigations, which may be required.
- 6.6. Establish regulatory authorities' requirements and incorporate into the design.
- 6.7. Refine and assess the concept design to ensure conformance with all regulatory requirements and consents, this is a specialized sterile containment facility that MUST comply to ISO 7 GMP conditions regardless of statutory fire regulations
- 6.8. Establish access, utilities, services and connections required for the design.
- 6.9. Coordinate design interfaces with other consultants involved.
- 6.10. Prepare preliminary designs, and related documentation for approval by authorities and client and suitable for costing.
- 6.11. Provide cost estimates and comment on enabling services upgrades if required for various type of Fire protection for the facility due to the nature of the requirements for BSL3 and GMP regulations , along with FM global if required.
- 6.12. Liaise, co-operate and provide necessary information to the client, principal consultant and other consultants involved.
- 6.13. Liaise with City of Tshwane regarding applications for fire approvals pertaining to the Building Plan submission

**Stage 2 Deliverables will include:**

- Project Fire Plan
- Fire Concept design.
- Schedule of required surveys, tests and other investigations and related reports.
- Preliminary Fire design.
- *Cost estimates as required* limited to fore engineering services
- *Preliminary Fire Design including review of material selection and product to be used in the facility by the entire professional team (HVAC,Architects, Process Engineers and Wet Services)*

**7. Stage 3 – Design Development (also termed Detail Design)**

(Defined as: Develop the approved concept to finalise the design, outline specifications, cost plan, financial viability and programme for the project)

- 7.1. Review documentation programme with principal **consultant/agent** and other professional consultants involved
- 7.2. Attend design and consultants' meetings.
- 7.3. Incorporate client's and authorities' detailed requirements into the design.
- 7.4. Incorporate other consultants' designs and requirements into the design.
- 7.5. Prepare design development drawings including draft technical details and specifications.
- 7.6. Review and evaluate design and outline specification and exercise cost control.
- 7.7. Liaise, co-operate and provide necessary information to the **principal consultant** and other consultant involved.
- 7.8. Submit the necessary design documentation to local and other authorities for approval.
- 7.9. Submit and review work on the document management system (e.g. BIM, eCloud, synergy, etc.), this should be part the consultant fee proposal

**Stage 3 Deliverables will include:**

- Design development drawings.
- Fire plan integration with architectural, structural, and building services engineers
- Outline specifications in accordance to the specifics of the vaccine factory
- Local and other authority submission drawings and reports.
- Detailed estimates of construction costs in relation to the provided budget.
- Design development drawings
- Outline specifications
- Local authority submission drawings
- Submit the Rational Fire Design Plans for coordination into the Site Develop Plan (SDP) and the Building Plan for council approval

**8. Stage 4 – Documentation and Procurement**

(Defined as: Prepare procurement and construction documentation, confirm and implement the procurement strategies and procedures for effective and timeous procurement of necessary resources for execution of the project.)

- 8.1. Attend design and consultants' meetings.

- 8.2. Prepare rational fire design documentation, specifications and preambles for the works.
- 8.3. Accommodate services design.
- 8.4. Check cost estimates and adjust designs and documents if necessary to remain within budget.
- 8.5. Formulate the procurement strategy for contractors or assist the principal consultant/agent where relevant.
- 8.6. Prepare rational fire design documentation for contractor procurement, for all fire related requirements
- 8.7. Review designs, drawings and schedules for compliance with approved budget.
- 8.8. Call for tenders and/or negotiation of prices and/or assist the principal consultant where relevant.
- 8.9. Liaise, co-operate and provide necessary information to the principal consultant and the other consultants as required.
- 8.10. Evaluate tenders in relation to the Fire Scope of Works aspects (technical evaluation report)
- 8.11. Prepare contract documentation for signature in relation to Fire Contractor
- 8.12. Assist in pricing, documentation and tender evaluation as required when the detailed services for these activities are provided by others.
- 8.13. Assess samples and products for compliance and design intent.
- 8.14. Review and comment on all the aspects related to the project fire plan for the, supply of equipment and machinery by suppliers and advise the ARC on aspects of performance, taking due care of the designed and supplied equipment and machineries by suppliers and their integration in the design
- 8.15. The Consultant will be required to work on the document management system to be agreed with the principal agent/principal consultant on the approval of ARC (e.g. Building Information Management (BIM), eCloud or similar equivalent)

**Stage 4 Deliverables will include:**

- Project Fire Plan / Fire Safety Strategy
- Final Rational Fire Tender Specifications.
- Fire Services co-ordination.
- Fire Working drawings.
- Fire Budget construction cost.
- Fire Tender documentation.
- Fire Tender evaluation report.

- Fire Tender recommendations.
- Fire Priced contract documentation.
- Design Audit records

## **9. Stage 5 – Contract Administration and Inspection**

**(Defined as: Manage, administer and monitor the construction contracts and processes including Preparation and coordination of procedures and documentation to facilitate practical completion of the works).**

- 9.1 Attend site handover.
- 9.2 Issue construction documentation in accordance with the documentation
- 9.3 Carry out contract administration procedures in terms of the contract.
- 9.4 Prepare schedules of predicted cash flow, in relation to fire engineering scope of work in conjunction with QS
- 9.5 Prepare pro-active estimates of proposed variations for client decision making.
- 9.6 Attend regular site, technical and progress meetings.
- 9.7 Review all Fire Systems Contractors' quality control programmes and advice and agree a quality assurance plan.
- 9.8 Inspect the works for quality and conformity to contract documentation, at least once a week but limited to 4(four) times a month throughout the course of the project Stage 5. Frequency of site visits may vary according to the demands and the progress stages of the project construction as laid under the ECSA guidelines and within the scope of services of Fire Engineering works.- no additional claim of fees will be entertained in this regards, the consultant to make due allowance in their fee proposal
- 9.9 Review the outputs of quality assurance procedures and advise the contractor and client (herein referred to as ARC) on the adequacy and need for additional controls, inspections and testing.
- 9.10 Adjudicate and resolve financial claims by contractor(s).
- 9.11 Assist in the resolution of contractual claims by the contractor.
- 9.12 Establish and maintain a financial control system.
- 9.13 Clarify details and descriptions during construction as required.
- 9.14 Prepare valuations for payment certificates to be issued by the principal agent.
- 9.15 Instruct witness and review all tests and mock ups carried out both on and off site.
- 9.16 Check and approve contractor drawings for design intent.
- 9.17 Update and issue drawings register.
- 9.18 Issue contract instructions as and when required.
- 9.19 Review and comment on operation and maintenance manuals, guarantee certificates and warranties.

- 9.20 Inspect the works and issue practical completion and defects lists.
- 9.21 Arrange for the delivery of all test certificates, statutory (regulatory) and other approvals, as built drawings and operating manuals
- 9.22 The Fire Engineer is to submit monthly progress Cost Management Reports to the Principal Agent pertaining to the Fire Systems scope of services including but not limited to quality, progress of works and completion dates

**Stage 5 Deliverables will include:**

- Schedules of predicted cash flow.
- Construction documentation.
- Drawings register.
- Estimates for proposed variations.
- Contract instructions.
- Financial control reports.
- Valuations for payment certificates.
- Maintenance plan documentation
- Rational Fire design compliance and verification aspects
- Rational Fire records of deviations agreed and submitted by the authorities
- Rational Fire Compliance Certificates
- Rational Fire design report of compliance status for occupation including fire authority approval
- Progressive and draft final account(s)
- Practical completion and defects list All statutory certification and certificates of compliance as required by the Local and other Statutory Authorities Cost Report and Financial Cost management in relational to the appointed Fire engineering services scope of work

**10 Stage 6 – Close-Out**

(Defined as: Fulfil and complete the project close-out including necessary documentation to facilitate effective completion, handover and operation of the project)

- 10.1 Inspect and verify the rectification of defects
- 10.2 Receive, comment and approve relevant payment valuations and completion certificates
- 10.3 Facilitate and/or procure final fire proper operations and maintenance manuals, guarantees and warranties.
- 10.4 Prepare and/or procure as-built drawings and documentation.
- 10.5 Conclude the final accounts where relevant.

- 10.6 Coordinate and assist the QS in preparing the final account settlement prior or not later than Practical
- 10.7 Approved Staff Training

**Stage 6 Deliverables will include:**

- Valuations for payment certificates
- Works and final completion lists
- Operations and maintenance manuals, guarantees and warranties handed
- Testing and Commissioning
- Maintenance plan (in preventative, planned)
- As-built drawings and documentation
- Legend drawings as per As-built drawings and documentation
- Final accounts settlements

**11 THE CLIENT CONSULTANT AGREEMENT:**

**The following Suite of Agreements will be applicable**

- 11.1 PROCSA- (Professional Client / Consultant Services Agreements Committee);
- 11.2 Engineering Council of South Africa Guidelines (Act 46 of 2000), GOVERNMENT GAZETTE, 26 MARCH 2021

**12. PRICING SCHEDULE**

**In accordance with the Professional Fees Guideline (Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 46 of 2000) amended 2021, as prescribed under Table 7**

**Table 7: Mechanical as categorised under Fire engineering services pertaining to building project [Rational Fire Services - allocated budget : R 13 703 348.80 (excluding Vat)]**

Cost of the Works		Basis of Fee Calculation	
For projects up to R850 000		Lump Sum or Time Basis	
Where the cost of the works:		Primary Fee	Secondary Fee
Exceeds	But does not exceed		
R850 000	R1 899 000	R127 500	18.0%
R1 899 000	R9 347 000	R284 900	15.0%
R9 347 000	R19 066 000	R1 224 500	12.5%
R19 066 000	R47 372 000	R2 236 400	11.5%
R47 372 000	R94 960 000	R4 926 700	11.0%
R94 960 000	R572 000 000	R9 201 700	10.0%
R572 000 000		R49 764 000	10.0%

**Applicable category: Building Works**

The value in which the fees are to be based and calculated in terms of the Guidelines of determining the fees as per the Engineering Council of South Africa (ECSA) ACT 46, 2000, March 2021.

The below stated amounts are based on the order of magnitude estimates of Stage 2, therefore they are for the purpose of the fees' calculation principles. The final contractual fee will be as per the deliverables under the PROCSA Agreement that will be based on the stage 3 reports and its deliverables with the fee basket as determined by the QS, based on a detailed development Elemental Cost Estimate and to be approved by ARC. The professional team will be compensated in accordance with the deliverables as laid down under the PROCSA agreement. No adjustments of fees to the limit of 20% increase and decrease in scope of rational fire will be allowed/acceptable.

**Fee Cash flow & Stages**

Note: ARC reserve its right to omit the deliverable achieved under stage 1 & 2 before formulation of contract

No	Description	Stage(s)	%	Status of involvement	Amount
1	Inception	1	5%	100% - completed	R Not applicable
2	Concept	2	10%	0%	R

3	Viability	2	10%	0%	R
4	Design Development	3	10%	0%	R
5	Documentation and Procurement	4	10%	0%	R
6	Contract Administration	5	45%	0%	R
7	Close-out	6	10%	0%	R
8	<b>Subtotal (total fees)</b>		<b>100%</b>		<b>R</b>
9	Discount on item 8 (total fees)		___%		(R )
10	<b>Subtotal</b>				
11	Add 15 % VAT- (on item 10)				R
12	<b>Total carried to form of offer and acceptance certificate(all cost related to this services included)</b>				R

**Note: The offer is to include disbursement, no disbursement will be paid on this contract**

**FORM OF OFFER AND ACCEPTANCE CERTIFICATE**

The Tenderer, identified in the offer signature block below, has examined the documents listed in the Tender Document thereto as listed in the tender, and by submitting this offer has accepted the Conditions of Tender. By the representative of the Tenderer, deemed to be duly authorised, signing this part of this form of offer and acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Service Provider / Consultant under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the tender.

Duly authorised, signing this part of this form of offer, \_\_\_\_\_ (name of entity) herewith offers to perform all of the obligations and liabilities of the Service provider / Consultant under the Contract including compliance with all its terms and conditions according to their true intent and meaning for contract sum amount to be in accordance with the Conditions of Contract identified in the Contract

**THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:**

R \_\_\_\_\_, (In figures)



13 BID EVALUATION CRITERIA

Criteria	Description	Points Allocation	Weighting Allocation
<p>1. Company's Experience</p>	<p><b>1.1 Proof of previously completed health care infrastructure project, specific to Rational Fire Engineering Services scope of work completed by the bidding company, <u>only letter(s) from developer's letterhead</u> confirming the completion of the project will be considered</b></p> <p>1.1.1 Contactable references (include appointment letters on letterhead)</p> <ul style="list-style-type: none"> <li>• Have provided Five letters (5)</li> <li>• Have provided Four letters (4)</li> <li>• Have provided Three letters (3)</li> <li>• Have provided Two letters (2)</li> <li>• Have provided One letter (1)</li> </ul>	<p>5 4 3 2 1</p>	<p><b>30</b></p>
	<p><b>1.1.3 Monetary value of projects completed for Rational Fire Engineering Scope of Services according to submitted letters of confirmation stating the project, with contactable reference number:</b></p> <ul style="list-style-type: none"> <li>• Building Works on Rational Fire Scope of services of healthcare infrastructure project to <b><u>the combined value of at least R 20 million.</u></b></li> <li>• Building Works on Rational Fire Scope of services of healthcare infrastructure project to the <b><u>combined value</u></b> of at <b><u>least R 15 million.</u></b></li> <li>• Building Works on Rational Fire Scope of services of healthcare infrastructure project to the <b><u>combined value of R 13 million</u></b></li> <li>• Building Works on Rational Fire Scope of services of healthcare of building infrastructure to the <b><u>combined value</u></b> of less than 13 million Rand value</li> <li>• Building Works on Rational Fire Scope of services of any-type of building infrastructure to the <b><u>combined value</u></b> of less than R5 million Rand value</li> </ul>	<p>5 4 3 2 1</p>	

<p>2. Experience of key personnel (Project leading Engineer/s,)</p>	<p><b>2.1 Provide an organogram of the proposed project team, including the engineering team dedicated to the project (<u>role of the team members</u>), and respective CVs including supportive proof of qualifications</b></p> <ul style="list-style-type: none"> <li>• <b>Certified</b> Certificate of the <u>Lead Professional Registered Engineer</u> with more than 10 years' experience</li> <li>• <b>Certified</b> Certificate of the Lead Professional Registered Engineer with 7 to 9 years' experience</li> <li>• <b>Certified</b> Certificate of the Lead Professional Registered Engineer with 3 to 6 years' experience</li> <li>• <b>Certified</b> Certificate of the Lead Professional Registered Engineer with 1 to 2 years' experience</li> <li>• <b>Certified</b> Certificate of the Lead Professional Registered Engineer less than 1 year years' experience</li> </ul> <p><b>2.2. The organogram of the proposed project team, which will deal with the Principal Agent and The Client. Including CVs, Certified Qualifications of each key personnel stated on the organogram and involved, indicating their experience (maximum 5 curriculum vitae)</b></p> <p><i>Note: the <u>Lead Engineer</u> should demonstrate Fire/Mechanical Engineering knowledge and experience on projects,</i></p> <ul style="list-style-type: none"> <li>• <b><u>Lead (Principal) Engineer</u></b> proven track record and hold a qualification of MSc/MTech/Bachelor Degrees/BTech/ Bachelor Honours Degree in faculty of engineering and is the accredited member with the <b><u>Green Building Council of South Africa</u></b> -</li> <li>• MSc/MTech/bachelor's degrees/BTech qualification Bachelor Honours Degree in in faculty of engineering.</li> <li>• Engineer with National Diploma qualification</li> </ul>	<p>15</p> <p>5</p> <p>4</p> <p>3</p> <p>2</p> <p>1</p> <p>20</p> <p>5</p> <p>4</p> <p>3</p> <p>2</p>	<p>15</p> <p>20</p>
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	<ul style="list-style-type: none"> <li>• <i>Certificate qualification Engineer</i></li> <li>• <i>Engineer with no formal qualification of the Lead Engineer.</i></li> </ul>	1	
<b>3. Technical Capability</b>	<b>3.1 Occupational Certificate on the completed healthcare projects, with approved occupational clearance certificate by local authorities related to Rational Fire Engineering Scope of Services</b> <ul style="list-style-type: none"> <li>• Five (5) final completion inspection certificates of <b><u>five healthcare projects</u></b>.</li> <li>• Four (4) final completion inspection certificates of <b><u>four healthcare projects</u></b></li> <li>• Three (3) final completion inspection certificates of three <b><u>healthcare projects</u></b></li> <li>• Two (2) final completion inspection certificates of two <b><u>healthcare</u></b> projects</li> <li>• One (1) final completion inspection certificate of one <b><u>healthcare</u></b> project</li> </ul>	5 4 3 2 1	<b>15</b>
<b>TOTAL</b>			<b>100</b>
<b>Minimum required to qualify for Price evaluation</b>			<b>65</b>

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\_\_\_\_\_ (in words)

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NAME(s): (BLOCK LETTERS) .....

CAPACITY of authorized agents: .....

SIGNATURE(s) of authorized agents: .....

SIGNED at ..... on this ..... day of .....

WITNESSES: (Full name – BLOCK LETTERS – and signature)

1. ....

2. ....

Only bidders who scored a minimum of **65** and above will be evaluated on price and BBEE.

The 80/20 preference points for the acquisition of goods or services (The Rand value of the proposal) and the BBEE points in terms of the Preferential Procurement Policy Framework Act Regulations will be used to determine the final score. Bidders with the highest final score will be recommended for appointment as the potential service provider.

**THRESHOLD: A minimum points of 65 out of 100 to be scored in order to proceed to the Phase 3 of the evaluation**

Phase 3: The 80/20 principle will apply in terms of the Preferential Procurement Policy Act. A maximum of 20 points will be awarded in respect of preferential procurement, which points must be awarded to a tenderer for attaining their B-BBEE Status Level in accordance with the table below:

Percentage Ownership by HDI'S	Points (8)	Percentage Ownership by Women	Points (4)	Percentage Ownership by Youth	Points (4)
91-100%	8	81-100	4	81-100	4
81-90	7	51-80	3	51-80	3
71-80	6	31-50	2	31-50	2
61-70	5	1-30	1	1-30	1

51-60	4	0%	0	0%	0
41-50	3				
21-40	2				
1-20	1				
0%	0				

Percentage Ownership by People with Disability	Points (2)	RDP Goals	Points (2)
51-100	2	The promotion of enterprise located in rural areas.	2
1-50	1	0%	0
0%	0		

#### 14. JOINT VENTURES

Where there is a joint venture, the following information and documentation must be submitted:

- Joint Ventures will score as the Joint Venture throughout the tender as bids cannot be split between the Joint Venture and individual bids, therefore the joint venture will be assessed as one entity
- A consolidated SANAS approved BBBEE certificate in case of joint venture
- All information stipulated under minimum and administrative requirements in the bid must be submitted by all parties involved in the Joint Ventures, including functionality requirements under scoring points
- A percentage breakdown of the work allocation per stage between the parties must be clearly indicated stating which entity will take lead consultant role
- A percentage breakdown of the fees per stage between the parties must be clearly indicated. This fee breakdown must match the work split. (JV Partners will not be required to invoice separately nor to execute the services in isolation)
- A formal signed agreement indicating the leading company as well as the other company roles and responsibilities must be submitted.
- A blended JV organogram with all the key personnel CVs.

A specific motivation of the JV formation must be submitted where there is a skills transfer involved a detailed plan between the parties must be submitted.

**15. LODGING OF SUBMISSIONS**

Tenderers are requested to submit two (2) complete documents into the tender box (one original functionality proposal and **prepare three (3) copies of the functionality** proposal.) A soft copy of the functionality and financial proposal should also be submitted. Tenderer's name and tender number to: **The Agricultural Research Council, ATTENTION: The Senior Supply Chain Manager, ARC 1134 Park Street PRETORIA**, by no later than **11:00 (eleven o'clock) on 18 August 2023**.

Submissions not received on time and date specified will not be considered. Any entities/companies that are submitting their proposals as joint ventures are not allowed to submit their own proposals separately from the joint venture. Submitting a second separate proposal from the joint venture will lead to disqualification.

**16. COMPLIANCE WITH GENERAL CONDITIONS OF CONTRACT**

No alteration, variation or amendment of the Contract (of which this Tender represents the offer) shall be permitted unless otherwise agreed to in writing. Should the prospective provider, in the case of non-compliance, wish to make any amendments to the conditions stipulated by the ARC in this Tender, which shall form the offer element of a Contract and if it is accepted by the ARC, then such proposed amendments shall be clearly stipulated by the prospective provider and where possible stating the increase or decrease in the cost involved by such proposals. The ARC reserves the right to reject such submissions.

**Misrepresentation of facts will result in disqualification and cancellation of the Contract.**

**17. ARC LIABILITY**

The ARC does not bind itself to accept the lowest or any tender proposal, nor to assign any reason for the rejection of a tender proposal, nor shall it be responsible for or pay any expenses or losses that may be incurred by the prospective provider in the preparation and delivery of its submission.

**18. SUBMISSION ACCEPTANCE**

No submission shall be deemed to have been accepted, unless and until a formal appointment letter is issued to the successful tenderer. Submissions shall remain open for acceptance by the ARC for a period of 224 (Two

hundred and twenty-four) days from the date on which they are returnable in terms of this Tender.

## **19. PRICES**

Tenderers shall indicate the basis on which the services will be charged. In this regard the following information shall be provided:

- Where a Tenderer lacks in-house expertise and may have to outsource certain services, the detail and basis of charges of any such service that may be required must be outlined.
- The tenderer shall reflect service discounts that they will offer throughout the contract duration.
- Tenderers submissions must reflect the detailed breakdown of the tender price as per the costing structure or bill of quantities
- Prices must include VAT, if it is applicable and all other costs related to the execution of the required services.
- The tenderer agrees not to change the price with VAT or any other Tax subsequent to submitting the tender. This includes subsequent VAT registration.
- All prices quoted are to be in SA Rand and inclusive of Value Added Tax (VAT).
- No change in the prices submitted shall be considered after receipt of response to the Tender submission within the validity period of the tender.
- Bidders shall ensure that the bid price is for the duration of the project, **including escalations.**

## **20. TERMS OF ENGAGEMENT**

- The successful bidder shall not take more than three (3) months from date of Bid award unless otherwise indicated and agreed between the successful Bidder and the ARC.
- The Service Provider shall be available for consultation with the ARC representative.
- The Service Provider shall manage as confidential all data, information and insights gained in execution of work for the ARC.
- ARC retains the right to negotiate with the successful Bidder for partial execution of the proposal.
- ARC retains the right to enter into non-exclusive agreements with Service Providers that do not restrict procurement of goods and services from other Service Providers.
- ARC retains the right to require the Service Provider to obtain permission in writing from the ARC prior to replacement of individuals proposed for execution of this Bid.
- Service Providers to accept professional liability for services rendered, including those rendered under sub-contract to the service provider

## 21. CONTENTS OF SUBMISSION

Proposals shall include all relevant information about the Bidder, which is thought appropriate to assist the ARC to assess its capabilities, capacity, outputs, value adding abilities, competitive advantage, etc.

The proposals presented are to be comprehensive and should describe the methodology to be followed in doing the following:

- The Breakdown of the complete specification with associated costs.
- All SBD (Standard Bidding Documents) must be completed and signed.

The proposals presented are to be as comprehensive as possible and ARC reserves the right to request the Bidder to provide more details.

Bidders shall adhere to the conditions stipulated in the General Conditions of Contract as prescribed by the National Treasury.

Bidders must ensure that the complete bid document is submitted with all additional required information and any other documents that the bidder wishes to supply to substantiate or clarify specific aspects in the proposal.

**Failure to submit all the signed and completed Standard Bidding documents and / or any required documentation will result in disqualification.**

## 22. APPROACH AND METHODOLOGY

Bidders should propose a comprehensive approach and methodology regarding the fire engineering services. **Bidders should also indicate proactive good will services expected to be provided to ARC.**

## 23. TRACK RECORD

Bidders shall provide a list of companies for which similar services have been rendered/ provided for (attach at least five reference letters)

## 24. BROADBASED BLACK ECONOMIC EMPOWERMENT (BBEE)

In terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000, the 80 / 20 principle shall be applicable to this bid and points shall be allocated as indicated under functionality. Sound evidence for points claimed must be attached so that points can be allocated.

BBEE status level points will be awarded to service providers who will submit certified copy of BBEE certificates or original BBEE certificates from SANAS accredited agencies and IRBA registered auditors or BBEE letters from an auditor or accountant.

Joint Ventures / Consortium / Partnerships must submit a BBEE document as indicated above for that particular entity e.g JV or Consortium otherwise no BBEE points shall be awarded.

**No BBEE points shall be awarded to a tenderer who fails to comply with the above.**

## 25. AMPLIFICATION OF SUBMISSIONS

The ARC may, after the opening of submissions, call on the prospective Bidder to amplify in writing any matter which is not clear in the prospective Bidder's submission and such amplification shall form part of the original



submission. In the event of the prospective Bidder failing to supply such information, the submission will be liable to rejection.

**26. COST OF PROPOSAL**

Bidders shall bear all costs associated with the preparation and submission of their proposals, the ARC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bid.

**27. BID DOCUMENTS**

This document in its entirety serves as the complete Bid document. Proposals offering only part of the requirements will be rejected. The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in this document. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of their proposal.

**28. DOCUMENTS COMPRISING THE PROPOSAL**

In preparing the technical and price components of the submissions all references to descriptive material and brochures should be included in the appropriate response paragraph, although material documents themselves may be provided as annexes to the proposal / response. Bidders are requested to focus on the provision of relevant information and to limit the amount of marketing and "boilerplate" material. The successful Bidder's proposal may be incorporated in whole or in part in the final contract. Any information that the Bidder considers proprietary should be marked as such.

**29. INFORMATION**

Information that the Bidder considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will be treated as such accordingly.

**30. PERIOD OF VALIDITY**

Proposals shall remain valid for two hundred and twenty-four (224) days after the date of proposal submission. A proposal valid for a shorter period may be rejected by the ARC on the grounds that it is non-responsive.

In exceptional circumstances, the ARC may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

**31. FORMAT AND SIGNING OF PROPOSALS**

The Bidder shall prepare four copies of the proposal, clearly marking one "Original Proposal" and three "Copies of Proposal" as appropriate. In the event of any discrepancies between them, the original shall govern. The four proposals shall be signed by the Bidder or a person or persons duly authorised to bind the Bidder to the contract.

**32. INTERLINEATIONS**

A proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initiated by the person or persons signing the proposal.

**33. PAYMENT**

The successful Bidder shall be paid upon submission of an invoice for each transaction of satisfactory work detailed in the scope.

**34. DUE DILIGENCE EXERCISE**

The ARC reserves the right to perform due diligence exercise for the purpose of appointing a credible tenderer.

### **35. PRICE AND PRICING STRUCTURE**

**(To be inserted or deposited into the Financial Proposal Envelope)**

- Bidders shall indicate the basis on which the services will be charged.
- Where a Bidder lacks in-house expertise and may have to outsource certain services, the detail and basis of charges of any such service that may be required must be outlined.
- The Bidder shall reflect service discounts that they will offer throughout the contract duration.
- Bidders submissions must reflect the detailed breakdown of the bid price as follows:
- Prices must be for the entire period of the tender including price escalation.
  - Prices must include VAT, if it is applicable and all other costs related to the execution of the required services.

### **36. CANCELLATION OF THE BID**

The ARC reserves the right to cancel the bid at any time of the process should the recommended service provider/s fail to meet the requirements of the bid.

### **37. SITE INSPECTION**

The ARC reserves the right to conduct a site inspection to the premises of the recommended service provider and/or the recommended service provider's clients at any given time.

### **38. SIGNING OF THE SERVICE LEVEL AGREEMENT**

The successful service provider will be expected to sign the service level agreement within ten (10) working days after receiving the appointment letter from the ARC Supply Chain Management Unit.

The Agricultural Research Council will then send the letter of award to the preferred bidder with two copies of the completed version of the said contract specimen and the preferred bidder will be firmly obliged to duly sign, initial and properly date both copies of the same and return them to the Agricultural Research Council for its signature within 10 (Ten) working days of their receipt of the said documents, failing which the Agricultural Research Council will be entitled, in its sole and total discretion and without further notice to such preferred bidder to write to such preferred bidder, summarily withdrawing the tender award, due to such contract signing process delay on the part of the given preferred bidder.

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (AGRICULTURAL RESEARCH COUNCIL)</b>					
BID NUMBER:	ARC/03/07/2023	CLOSING DATE:	18 AUGUST 2023	CLOSING TIME:	11:00
DESCRIPTION	FIRE ENGINEERING SERVICES FOR THE CONSTRUCTION OF FOOT AND MOUTH DISEASE VACCINE FACTORY AT OVR.				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
1134 PARK STREET, HATFIELD, PRETORIA (NEXT TO GAUTRAIN STATION)					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	MR. MUSA ZONDO		CONTACT PERSON		
TELEPHONE NUMBER	012 427-9733		TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:ZONDOMP@ARC.AGRIC.ZA">ZONDOMP@ARC.AGRIC.ZA</a>		E-MAIL ADDRESS		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					



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

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

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

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

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

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.**



## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b></p>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p> <p>2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”</p>

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

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

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



**Department:** Supply Chain Management

**Contact Person:** Mr Musa Zondo

**Tel:** (012) 427 9733

**E-mail address:** zondomp@arc.agric.za/[scmrequests@arc.agric.za](mailto:scmrequests@arc.agric.za)

All technical enquiries must be forwarded in writing to Supply Chain Management who will act as communicator between the Bidder and ARC to ensure that all Bidders receive the same information.



## **TAX CLEARANCE CERTIFICATE REQUIREMENTS**

**It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.**

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za)
6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).



**PRICING SCHEDULE**  
**(Professional Services)**

NAME OF BIDDER: ..... BID NO.: **ARC/03/07/2023**

CLOSING TIME **11:00** CLOSING DATE: **18 AUGUST 2023**

**OFFER TO BE VALID FOR 224 DAYS FROM THE CLOSING DATE OF BID.**

Item Description Bid Price in RSA Currency \*\* (All Applicable Taxes Included)  
No

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

R.....

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

4. PERSON AND POSITION, HOURLY RATE AND DAILY RATE

----- R-----

----- R-----

----- R-----

----- R-----

----- R-----

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

----- R----- days

----- R----- days

----- R----- days

----- R----- days





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

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

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

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

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

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

.....

7. Estimated man-days for completion of project

.....

8. Are the rates quoted firm for the full period of contract?

\*YES/NO



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

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

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

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Any enquiries regarding bidding procedures may be directed to the –

**AGRICULTURAL RESEARCH COUNCIL – CENTRAL OFFICE**

**Department:** Supply Chain Management

**Contact Person:** Mr Musa Zondo

**Tel:** (012) 427 9733

**E-mail address:** zondomp@arc.agric.za/[scmrequests@arc.agric.za](mailto:scmrequests@arc.agric.za)



## **BIDDER'S DISCLOSURE**

### **1. PURPOSE OF THE FORM**

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

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

### **2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of State institution</b>

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




2.2

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

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in

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



relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder



This document must be signed and submitted together with your bid

## **THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME**

### **INTRODUCTION**

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchased / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

### **1. PILLARS OF THE PROGRAMME**

1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ million can be reached as follows:

(a) Any single contract with imported content exceeding US\$ 10 million.  
or

(b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$ 3 million awarded to one seller over a 2 year period which in total exceeds US\$ 10 million.  
or



(c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$ 10 million.

or

(d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$ 10 million.

1.2 The NIP obligation to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30% of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.

1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

## **2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY**

2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R 10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.

2.2 The purpose for reporting details of contracts in excess of the amount of R 10 million (ten million Rands) is to cater for multiple contract for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works and services under the same contract as provided for in paragraphs 1.1 (b) to 1.1 (d) above.

## **3. BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)**

3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.





3.2 In order to accommodate multiple contracts for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R 10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Bid / contract number
- Description of the goods, works or services
- Date on which the contract was accepted
- Name, address and contact details of the government institution
- Value of the contract
- Imported content of the contract, if possible.

3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X84, Pretoria, 0001 for the attention of Mr. Elias Malapane within five (5) working days after award of the contract. Mr. Malapane may be contacted on telephone (012) 394-1401, facsimile (012) 394-2401 or e-mail at [Elias@thetdi.gov.za](mailto:Elias@thetdi.gov.za) for further details about the programme.

#### **4. PROCESS TO SATISFY THE NIP OBLIGATION**

4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:

- a. The contractor and the DTI will determine the NIP obligation;
- b. The contractor and the DTI will sign the NIP obligation agreement;
- c. The contractor will submit a performance guarantee to the DTI;





- d. The contractor will submit a business concept for consideration and approval by the DTI;
- e. Upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. The contractor will implement the business plans; and
- g. The contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid Number: .....

Closing Date: .....

Name ..... of ..... Bidder:  
 .....

Postal  
 address:  
 .....  
 .....

Signature: .....

Name (In print): .....

Date: .....



**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

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

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

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the ..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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



- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:  
     B-BBEE Status level certificate issued by an authorized body or person;  
     A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;  
     Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;



### 3. POINTS AWARDED FOR PRICE

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

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

**80/20** or **90/10**

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

Where

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

$P_t$  = Price of bid under consideration

$P_{min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

Percentage Ownership by HDI'S	Points (8)	Percentage Ownership by Women	Points (4)	Percentage Ownership by Youth	Points (4)
91-100%	8	81-100	4	81-100	4
81-90	7	51-80	3	51-80	3
71-80	6	31-50	2	31-50	2
61-70	5	1-30	1	1-30	1
51-60	4	0%	0	0%	0
41-50	3				
21-40	2				
1-20	1				
0%	0				

Percentage Ownership by People with Disability	Points (2)	RDP Goals	Points (2)
51-100	2	The promotion of enterprise located in rural areas.	2



1-50	1	0%	0
0%	0		

**5. BID DECLARATION**

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

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

*(Tick applicable box)*

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

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

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME ✓	QSE ✓
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		



Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of  
company/firm:.....

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]



8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....





## **ADHERENCE TO THE ARC'S CODE OF ETHICS**

### **1. INTRODUCTION**

This statement forms part of the Agricultural Research Council's "Ethics and Fraud Prevention strategy". It sets out the tone, culture and expectations of the ARC in promoting a policy of fair dealing and integrity in the conduct of business and the countering of fraudulent activities.

### **2. POLICY**

- 2.1 The ARC's vision is to provide Excellence in Agricultural Research and Development.
- 2.2 The ARC will do everything possible to promote honesty, integrity and to adhere to all applicable laws in everything it does and is committed to the prevention, deterrence, detection and investigation of all forms of non-adherence to policies, laws and the Code of Ethics.
- 2.3 ARC Council members, Audit Committee members and employees at all levels are expected to adopt the highest standards of propriety and accountability. These standards are also expected from organisations that the ARC deals with such as suppliers, contractors, customers, partners, etc.
- 2.4 If it is established that suppliers, contractors, customers and partners have engaged in corrupt, dishonest, fraudulent activities or have contravened the supply chain policy of the Code of Ethics in competing or executing the contract awarded, the ARC will immediately terminate the contract. Any supplier, contractor, partner or officer representing any of the entities if found guilty of any of the above they will be declared ineligible to supply goods, works and services to the ARC under any programmes or projects managed and administered by the ARC on behalf of its clients.





2.5 The ARC can in its sole judgement proceed to pursue any legal remedies available.

### **3. CULTURE**

3.1 Adherence to laws, policies and procedures, the prevention and detection of fraud and corruption and the protection of ARC's assets is every stakeholder's responsibility.

3.2 Council members, Audit Committee members, all employees are expected to carry out their duties to the best of their ability for the benefit of the ARC and not to take advantage of any situation for personal gain, for themselves, members of their family or friends.

### **4. CODE OF ETHICS AND FRAUD PREVENTION STATEMENT**

4.1 Members of the public, suppliers, contractors and partners are expected to act with integrity in their business dealings with the ARC and not to behave dishonestly to the detriment of the ARC.

4.2 The ARC has set up a secure and confidential framework, within which any employee, member of the public, suppliers, contractors, partners are encouraged to raise concerns if they know of or suspect that the following is about to occur or has occurred:

- Fraud;
- Corruption;
- Abuse of assets;
- Irregular transaction are taking place;
- Fruitless expenditure has been incurred;
- Endangering of an individual's health and safety;



- A violation of applicable laws, rules, policies or regulations of the Code of Ethics.

4.3 The ARC will ensure that any allegations received are taken seriously and investigated in an appropriate manner.

4.4 The ARC will deal firmly with those who act dishonestly. Following proper investigation, appropriate disciplinary action and / or criminal proceedings will be instigated.

4.5 Suppliers, contractors and partners acknowledge that they have read and understood relevant sections of the Code of Ethics policies, procedures and laws applicable to them.

4.6 Stakeholders who wish to remain anonymous when raising concerns are encouraged to use the following secure hotline:

Free Call Telephone Number: 0800 000 604

Free Call Facsimile Number: 0800 007 788

E-mail: [arc@tip-offs.com](mailto:arc@tip-offs.com)

“Please call me” number: 32840

Tip-offs anonymous url: [www.tip-offs.com](http://www.tip-offs.com)

No-one will be subjected to retaliation for good faith reporting of a suspected violation.

4.7 Concerns can only be adequately investigated if all relevant facts concerning the issue being reported are disclosed. Stakeholders are encouraged to provide relevant facts including supporting documentation of available.

I, \_\_\_\_\_ the \_\_\_\_\_ undersigned  
 ..... in my  
 capacity as an authorised representative of



..... registration number  
.....

**HEREBY ACKNOWLEDGE:**

1. That I have been explicitly informed of and consequently an fully aware of the fact that:
  - a) I must adhere to sections of the ARC Code of Ethics, supply chain policy and laws that apply to me as a supplier or contractor;
  - b) I will report to the ARC any violations and contraventions of its Code of Ethics, policies, procedures that I may become aware of;
  - c) Failure to adhere to (a) and (b) above will result in the cancellation of my contract with the ARC and the ARC in its sole judgement may pursue any other legal action it deems appropriate.

NAME(s): (BLOCK LETTERS)  
.....

CAPACITY of authorised agents:  
.....

SIGNATURE(s) of authorised agents:  
.....

SIGNED AT ..... on this ..... day of  
.....

WITNESSES: (Full name – BLOCK LETTERS – and signature)

1. ....
2. ....



**THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**

**July 2010**



## GENERAL CONDITIONS OF CONTRACT

### 1. Definitions

The following items shall be interpreted as indicated:

- 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids
- 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidised by its government and encourage 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 of the conditions of the contract or order.
- 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.



- 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specific 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 goods are so delivered and a valid receipt is obtained.
- 1.11 “Dumping” occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 “Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, by is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution 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 sub-contractors) 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 goods covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.



- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site”, where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organisation purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa
- 1.23 “SCC” means the Special Conditions of Contract
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility of all aspects of the project and delivers the full end product / service required by the contract
- 1.28 “Written” or ‘in writing” means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, services or works.

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

### **3. General**

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria, 0111, 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 purposes of such performance.

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

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





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

## **6. Patent rights**

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

## **7. Performance Security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in 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 thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

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

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



- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organisation acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analysis 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 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 open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

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

## **10. Delivery and documents**

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

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

- a) Performance or supervision of on-site assembly and / or commissioning of the supplied goods;
- b) Furnishing of tools required for assembly and / or maintenance of the supplied goods;



- c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - d) Performance or supervision or maintenance and / or repair to the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - e) Training of the purchaser's personnel, at the supplier's plant and / or on-site, in assembly, start-up, operation, maintenance, and / or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

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

#### **15. Warranty**



- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and / or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

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



## **17. Prices**

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

## **18. Variation orders**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

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

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its sub-contractor(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 purchase shall evaluate the situation and may at his discretion extend by 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 service from a national department, provincial department or a local authority.





- 21.4 The right is reserves to procure outside of the contract small quantities or to have minor essential services executed is an emergency arises, the supplier's point of supply is 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 supplier 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 entitles to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- a) If the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;



- b) If the supplier fails to perform any other obligation(s) under the contract; or
- c) If the supplier, in the judgement 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 purchase 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 purchase 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 purchase intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 Is a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) The name and address of the supplier and / or person restricted by the purchaser;
  - (ii) The date of commencement of the restriction
  - (iii) The period of restriction; and
  - (iv) The reasons for the restriction.





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

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

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 reduces, 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 supplied or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25. Force Majeure**

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

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonable practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for Insolvency**



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

## **27. Settlement of disputes**

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

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

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

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

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

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

## **28. Limitation of Liability**

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

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



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

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

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

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

## **32. Taxes and duties**

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



clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

### **33. Transfer of contracts**

- 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. Amendments of contracts**

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

