

**DALRRD-MP 0003 (2021/2022)**

**APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY, DELIVERY  
AND OFFLOADING OF DRAGLINE IRRIGATION SYSTEM MATERIALS  
FOR BUFFELSPRUIT, FIGTREE C, FIGTREE D, LANGELOOP 1,  
MADADENI, NHLANGU EAST AND NHLANGU WEST IRRIGATION  
SCHEMES IN NKOMAZI LOCAL MUNICIPALITY**

**Closing Date: 09 July 2021**

**Time: 11:00**

**For further enquiries:**

Bid Technical: Ms. S. Xakana

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## agriculture, land reform & rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

### MPUMALANGA PROVINCIAL SERVICE CENTRE

Directorate: Finance and Supply Chain Management Services

Private Bag 11305, NELSPRUIT, 1200; TEL: 013 754 8000 WEB: [www.dalrrd.gov.za](http://www.dalrrd.gov.za)

YOU ARE HEREBY INVITED TO BID TO THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT.

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**BID NO:** DALRRD-MP0003 (2021/2022) **CLOSING TIME:** 11:00 **CLOSING DATE:** 09 July 2021

BIDS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL AS A RULE NOT BE ACCEPTED FOR CONSIDERATION.

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1. Kindly furnish us with a bid for services shown on the attached forms.
2. Attached please find:
  - 2.1 Authority to Sign the Standard Bidding Documents (SBDs) On behalf of an Entity
  - 2.2 Invitation to Bid – SBD 1
  - 2.3 Declaration of Interest – SBD 4
  - 2.4 Preference Points Claim Form – SBD 6.1
  - 2.5 Contract Form – SBD 7.2
  - 2.7 Declaration of Bidder's Past Supply Chain Management Practices – SBD 8
  - 2.8 Certificate of Independent Bid Determination – SBD 9
  - 2.9 Supplier Maintenance (Bank Details) Form
  - 2.10 Terms of Reference
  - 2.11 General Conditions of Contract (GCC)
3. The attached forms must be completed in detail and returned with your bid. Failure to comply may disqualify your proposal. Each bid document must be submitted in a separate sealed envelope stipulating the following information: Name and Address of the bidder, Bid number and closing date of bid.

**Bid proposals must be deposited into the Tender/ Bid Box situated at the Department of Agriculture, Land Reform and Rural Development: MPSSC: 17 Van Rensburg Street, Bateleur Building, Block E, Nelspruit, 1200, by not later than the closing date and time indicated above. Bid proposals which are not inside the Tender / Bid Box on the closing date and time will not be considered.**

## ADDRESS TO TENDER BOX

**DALRRD MP0003 (2021/2022) CLOSING DATE: 09 July2021 AT 11:00**

**YOU ARE HEREBY INVITED TO BID TO THE GOVERNMENT OF THE  
REPUBLIC OF SOUTH AFRICA (DEPARTMENT AGRICULTURE, LAND  
REFORM AND RURAL DEVELOPMENT)**

**BIDS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL  
AS A RULE NOT BE ACCEPTED FOR CONSIDERATION.**

**THE SBD 1 FORM MUST BE SIGNED IN THE ORIGINAL AND WITH BLACK  
INK SUBMIT ALL BIDS ON THE OFFICIAL FORMS – DO NOT RETYPE.**

The Bid documents must be deposited in  
The Bid box which is identified as the  
Bid/tender box of the



**Department of Agriculture, Land  
Reform & Rural Development  
Acquisition Management (BIDS)  
17 Van Rensburg Street  
Block E  
Bateleur Building  
Nelspruit.  
1200.  
6<sup>th</sup> Floor.  
Tender Box.**

**THE BID BOX OF THE OFFICE OF THE  
DEPARTMENT OF AGRICULTURE,  
LAND REFORM &RURAL  
DEVELOPMENT IS OPEN 24 HOURS A  
DAY, 7 DAYS A WEEK. THE BID BOX  
WILL BE CLOSED AT 11H00 WHICH IS  
THE CLOSING TIME OF BIDS.**

**BIDDERS SHOULD ENSURE THAT BIDS ARE DELIVERED TIMEOUSLY TO  
THE CORRECT ADDRESS**

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**SUBMIT BID IN A SEALED ENVELOPE**

**CHECKLIST WHEN SUBMITTING BID PROPOSAL/DOCUMENT**  
**TENDER NO: DALRRD MP0003 (2021/2022)**

**DESCRIPTION OF TENDER: APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY, DELIVERY AND OFFLOADING OF DRAGLINE IRRIGATION SYSTEM MATERIALS FOR BUFFELSPRUIT, FIGTREE C, FIGTREE D, LANGELOOP 1, MADADENI, NHLANGU EAST AND NHLANGU WEST IRRIGATION SCHEMES IN NKOMAZI LOCAL MUNICIPALITY**

**ENSURE THAT PRIOR TO SUBMITTING THE TENDER TO THE DEPARTMENT THE FOLLOWING INFORMATION IS COMPLETED AND ATTACHED**

Please indicate <b>YES</b> or <b>NO</b> ✓ Place a Tick in the appropriate column	<b>YES</b>	<b>NO</b>
<b>A valid Tax Clearance Certificate and / compliance tax status pin:</b> In the case of where consortium/joint ventures/sub-contractor are involved each party to the association must submit a separate valid Tax Clearance Certificate / a compliance tax status pin.		
<b>IN Cases of Joint Ventures submit Consolidated B-BBEE Certificate (Each party to the Joint Venture must submit separate B-BBEE Certificate) / sworn affidavit. Failure to comply points will not be allocated to the bidder.</b>		
Submit <b>B-BBEE Certificate/ sworn affidavit for Sub-contracting companies</b>		
Submit <b>B-BBEE Certificate/ sworn affidavit</b>		
Signed Letter of authority on Company Letterhead is attached as per company resolution ( <b>NB: Failure to submit proof of Authorisation to sign the tender with a specimen signature shall result in a Tender Offer being regarded as non-responsive</b> )		
Proof of Central Supplier Database ( <b>CSD</b> ) Registration		
Fully completed and signed all SBD forms.		
Fully completed and signed Form of Offer (SBD1 &SBD3.3).		
Are mistakes made on the prices/form of offer inclusive of vat crossed out in ink and altered on each price		
Is the form of offer fully completed and signed by the authorized signatory		
Are all addenda issued completed and returned (if applicable)		
<p>(It is mandatory to sub-contract a contractor in terms of SBD 6.1)            If the bidder intends to make use a sub-contractor, the bidder must:</p> <ul style="list-style-type: none"> <li>• Submit a Valid Tax Clearance Certificate / Compliance tax pin</li> <li>• Submit <b>B-BBEE Certificate/ sworn affidavit</b></li> <li>• Submit Central Supplier Database Registration or Summary Report</li> <li>• The name and other particulars of such entity must also be specified on the SBD 6.1 form.</li> </ul> <p><b>Subcontracting</b></p> <p>Clause referred to in Standard Conditions of Tender Document            The Department committed to implement the set aside (sub-contracting) rule from a minimum of 10% as depicted in the table below,</p>		

**NB: Proof of signed subcontracting arrangement between the main bidder and the subcontractor/s must be submitted for each and every proposed sub-contractor.**

<b>Bid Value Including VAT</b>	<b>Set Aside % for Subcontracting as per 14.5 Implementation Guide PPR2017</b>	
From R 3 million	5%	<ol style="list-style-type: none"> <li>1. All bids must be advertised with the condition of set aside percentage for contracting as per the offer, 14.11 Implementation Guide, PPR2017.</li> <li>2. The Department reserves the right to set aside a bid for its target market: Youth/NARYSEC Graduates, Women Cooperatives and Rural Area Businesses.</li> <li>3. The Department reserves a right to allocate any bid among preferred bidders as per their risk profile.</li> <li>4. Any bid may be set aside to uplift a community / individuals / businesses of any designated group</li> <li>5. Set aside conditions are also applicable to quotations as per 5.12, Implementation Guide PPR2017.</li> <li>6. No contractor shall be allowed to subcontract with his/her subsidiary companies or fronting as this would lead to termination of the contract with DALRRD. 14.14 Implementation Guide, PPR2017.</li> </ol>
From R 9 million	10%	
From R15 million	15%	
From R25 million	20%	
	30%	

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

The General Conditions of Contract will form part  
of all bid documents and may not be amended.

Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

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

## **3. General**

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](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 prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

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

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

## **6. Patent rights**

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

**7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

**9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

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

**13. Incidental services**

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

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

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

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

**15. Warranty** 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

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

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

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

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

**17. Prices**

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

**18. Contract amendments**

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

**19. Assignment**

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

**20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this 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 subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

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

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any



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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

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

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

may be due to him

**25. Force Majeure**

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

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

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

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

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

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF AGRICULTURE, LAND REFORM &amp; RURAL DEVELOPMENT.</b>					
BID NUMBER:	DALRRD-MP 0003(2021/2022)	CLOSING DATE:	09 July 2021	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY, DELIVERY AND OFFLOADING OF DRAGLINE IRRIGATION SYSTEM MATERIALS FOR BUFFELSPRUIT, FIGTREE C, FIGTREE D, LANGELOOP 1, MADADENI, NHLANGU EAST AND NHLANGU WEST IRRIGATION SCHEMES IN NKOMAZI LOCAL MUNICIPALITY				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7.2).</b>					
<b>BID RESPONSE DOCUMENTS MAY BE SUBMITTED TO:</b>					
BID RESPONSE MUST BE DEPOSITED INTO THE TENDER/BID BOX SITUATED AT: DEPARTMENT OF AGRICULTURE, LAND REFORM & RURAL DEVELOPMENT MPUMALANGA SHARED SERVICE CENTRE, 17 VAN RENSBURG STREET, BATELEUR BUILDING, BLOCK E, SIXTH FLOOR. NELSPRUIT					
<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					
	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No			<input type="checkbox"/> No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
	<input type="checkbox"/>	A REGISTERED AUDITOR			
	NAME:				
<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>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	[IF YES ENCLOSE PROOF]			[IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE (ALL INCLUSIVE)		
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT/ PUBLIC ENTITY	AGRICULTURE, LAND REFORM & RURAL DEVELOPMENT		CONTACT PERSON	Ms S Xakana	
CONTACT PERSON	D RUDOLPH / NJ HLATSHWAYO		TELEPHONE NUMBER	013 754 8111	
TELEPHONE NUMBER	(013) 754 8038/34/ 082 947 6304		FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS	Sivenathi.xakana@dalrrd.gov.za	
E-MAIL ADDRESS	<a href="mailto:damian.rudolph@dalrrd.gov.za">damian.rudolph@dalrrd.gov.za</a> / <a href="mailto:Nonhlanhla.hlatshwayo@dalrrd.gov.za">Nonhlanhla.hlatshwayo@dalrrd.gov.za</a>				

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED- (NOT TO BE RE-TYPED) OR ONLINE
1.3.	BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.4.	WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.5.	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 LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
2.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.2.	DOES THE BIDDER HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.3.	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.4.	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
<p><b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</b></p>	

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

**PRICING SCHEDULE FOR THE RENDERING OF APPOINTMENT  
OF A SERVICE PROVIDER FOR SUPPLY, DELIVERY AND  
OFFLOADING OF DRAGLINE IRRIGATION SYSTEM MATERIALS  
FOR BUFFELSPRUIT, FIGTREE C, FIGTREE D, LANGELOOP 1,  
MADADENI, NHLANGU EAST AND NHLANGU WEST IRRIGATION  
SCHEMES IN NKOMAZI LOCAL MUNICIPALITY**

**PRICING SCHEDULE**

NAME OF SERVICE PROVIDER: .....Bid NO.:DALRRD-MP0003(2021/2022)

CLOSING TIME:11:00

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED TAX</u>
---------	-------------	---

1. The accompanying information must be used for the formulation of proposals.

**TOTAL PRICE** R.....

**Bid offer must remain valid for the period of 90 days after the closing date.**

- **For the duration of the contract the Prices are Fixed and firm including the provision of the Sectoral Determination. Pricing must be fixed for the duration of the project.**

**TABLE 1: PRICING SCHEDULE**

ITEM	DESCRIPTION	UNIT	QUANTITY (SUM)	UNIT COST	TOTAL COST
	<b>REPLACEMENT OF DRAGLINES</b> Supply, deliver to site and issue to TsGro all irrigation equipment. Delivered to RCL Sugar Malelane, Mpumalanga or within a radius of 40km from Malelane. All deliveries to be supported by delivery notes, to be checked by representatives of both the supplier and the client.				
	<b>MEGAFLEX HEAVY DUTY DRAGLINE HOSE (SANS 271)</b> 20mm heavy duty 10 year hose c/w orange strip and marked with a white strip around hose every 18m. Hoses to be cut in pre-determined lengths which will be determined by TsGro management prior to manufacturing. Proof of manufacturing certificate and standard to be available and presented to TsGro.	m	173 700	R.....	R.....
	<b>NYLON FITTINGS</b> 20mm short riser dragline pipelets.	No	8 936	R.....	R.....
	<b>CLAMPS (A series heavy duty)</b> A26-29 heavy duty bolted clamps for dragline	No	17 873	R.....	R.....
	<b>SPRINKLER HEADS</b> 20mm plastic VYRSA 56 sprinklers with 11/64" nylon nozzle and plug.	No	6128	R.....	R.....



	<b>SUB TOTAL COST (EXL VAT)</b>	R.....
	<b>VAT @ 15%</b>	R.....
	<b>TOTAL (Including VAT)</b>	R.....

**TABLE 2: SUMMARY OF THE TOTAL COST**

<b>DESCRIPTION</b>	<b>TOTAL COST OF THE PROJECT</b>
<b>TABLE 1: REPLACEMENT OF DRAGLINES INCLUDING VAT</b>	<b>R .....</b>
<b>TOTAL BID PRICE</b>	<b>R ..... ( Should reflect on SBD 1 as well)</b>

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
- the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

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

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

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

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....  
Name of state institution at which you or the person connected to the bidder is employed : .....  
Position occupied in the state institution: .....

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

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:  
.....  
.....  
.....

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

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

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

2.9.1If so, furnish particulars.  
.....

.....  
 .....

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

2.10.1 If so, furnish particulars.  
 .....  
 .....  
 .....

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

2.11.1 If so, furnish particulars:  
 .....  
 .....  
 .....

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

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

**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

May 2011

## 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 **80/20** 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>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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

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

## 2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**B-BBEE status level of contributor**” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of 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:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) “**QSE**” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

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

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

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

Where

- P<sub>s</sub> = Points scored for price of bid under consideration
- P<sub>t</sub> = Price of bid under consideration
- P<sub>min</sub> = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	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 .....
.....
.....

## DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

- 1.6 A bid may be disqualified if –

(a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and

(b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

## 2. Definitions

2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;

2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).

2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

## 3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
Steel Products and Components	<b>100%</b>
Valves Products and Actuators	<b>70%</b>
Plastic Pipes and Fittings	<b>100%</b>

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?

(Tick applicable box)

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

5.1. If yes, provide the following particulars:

- (a) Full name of auditor: .....
- (b) Practice number: .....
- (c) Telephone and cell number: .....
- (d) Email address: .....

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO. ....**

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....  
NB

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

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
  - (ii) the declaration templates have been audited and certified to be correct.
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**  
**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## Annex C

### Local Content Declaration - Summary Schedule

(C1) Tender No. \_\_\_\_\_  
 (C2) Tender description: \_\_\_\_\_  
 (C3) Designated product(s) \_\_\_\_\_  
 (C4) Tender Authority: \_\_\_\_\_  
 (C5) Tendering Entity name: \_\_\_\_\_  
 (C6) Tender Exchange Rate: \_\_\_\_\_  
 (C7) Specified local content % \_\_\_\_\_

Note: VAT to be excluded from all calculations

Pula  EU  GBP

		Calculation of local content					
Tender item no's	List of items	Tender price - each (excl VAT)	Exempted imported value	Tender value net of exempted imported content	Imported value	Local value	Local content % (per item)
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)

Tender summary			
Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C16)	(C17)	(C18)	(C19)

Signature of tenderer from Annex B \_\_\_\_\_  
 Date: \_\_\_\_\_

(C20) Total tender value	R 0
(C21) Total Exempt imported content	R 0
(C22) Total Tender value net of exempt imported content	R 0
(C23) Total Imported content	R 0
(C24) Total local content	R 0
(C25) Average local content % of tender	



**Annex D**

**Imported Content Declaration - Supporting Schedule to Annex C**

(D1) Tender No. \_\_\_\_\_

(D2) Tender description: \_\_\_\_\_

(D3) Designated Products: \_\_\_\_\_

(D4) Tender Authority: \_\_\_\_\_

(D5) Tendering Entity name: \_\_\_\_\_

(D6) Tender Exchange Rate: \_\_\_\_\_ Pula \_\_\_\_\_

Note: VAT to be excluded from all calculations

EU R \_\_\_\_\_ GBP \_\_\_\_\_

**A. Exempted imported content**

Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Calculation of imported content				Summary	
						Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)

(D19) Total exempt imported value R 0

This total must correspond with Annex C - C 21

**B. Imported directly by the Tenderer**

Tender item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Calculation of imported content				Summary	
						Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Total imported value
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)

(D32) Total imported value by tenderer R 0

**C. Imported by a 3rd party and supplied to the Tenderer**

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Calculation of imported content				Summary	
						Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)

(D45) Total imported value by 3rd party R 0

**D. Other foreign currency payments**

Type of payment	Local supplier making the payment	Overseas beneficiary	Calculation of foreign currency payments	
			Foreign currency value paid	Tender Rate of Exchange
(D46)	(D47)	(D48)	(D49)	(D50)

Summary of payments
Local value of payments
(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above R 0

Signature of tenderer from Annex B

## Annex E

**Local Content Declaration - Supporting Schedule to Annex C**

(E1)	Tender No.	<input style="width: 100%;" type="text"/>
(E2)	Tender description:	<input style="width: 100%; height: 100%;" type="text"/>
(E3)	Designated products:	<input style="width: 100%;" type="text"/>
(E4)	Tender Authority:	<input style="width: 100%;" type="text"/>
(E5)	Tendering Entity name:	<input style="width: 100%;" type="text"/>

**Note:** VAT to be excluded from all calculations

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
<b>(E9) Total local products (Goods, Services and Works)</b>			R 0

(E10)	<b>Manpower costs</b>	(Tenderer's manpower cost)	R 0
(E11)	<b>Factory overheads</b>	(Rental, depreciation & amortisation, utility costs, consumables etc.)	R 0
(E12)	<b>Administration overheads and mark-up</b>	(Marketing, insurance, financing, interest etc.)	R 0
<b>(E13) Total local content</b>			R 0

**This total must correspond with Annex C - C24**

Signature of tenderer from Annex B

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## CONTRACT FORM - RENDERING OF SERVICES

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

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

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

NAME (PRINT).....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

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

**CONTRACT FORM - RENDERING OF SERVICES**  
**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE: .....

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

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

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

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

**SBD 8**

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

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

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

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder



6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

BAS

LOGIS

Office

System User Only	
Captured By:	<input type="text"/>
Captured Date:	<input type="text"/>
Authorised By:	<input type="text"/>
Date Authorised:	<input type="text"/>
<b>Safety Web Verification</b>	
<input type="checkbox"/> YES	<input type="checkbox"/> NO

**The Director General : Department of Rural Development and Land Reform**

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that not additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post. Please ensure information is valid as per required bank screens .

I/We understand that bank details provided should be exactly as per the records held by the bank.

I/We understand that the Department will not assume responsibly for any delayed payments, as a result of incorrect information supplied.

Company / Personal Details	
Registered Name	<input type="text"/>
Trading Name	<input type="text"/>
Tax number	<input type="text"/>
Vat Number	<input type="text"/>
Title	<input type="text"/>
Initials	<input type="text"/>
First Name	<input type="text"/>
Surname	<input type="text"/>

Address Detail	
Payment Address Line 1	<input type="text"/>
Payment Address Line 2	<input type="text"/>
Street Address Line 1	<input type="text"/>
Street Address Line 2	<input type="text"/>
Postal Code	<input type="text"/>

New Detail			
<input type="checkbox"/> New Supplier Information	<input type="checkbox"/> Update Supplier Information		
Supplier Type	<input type="checkbox"/> Individual	<input type="checkbox"/> Department	Department Number <input type="text"/>
	<input type="checkbox"/> Company	<input type="checkbox"/> Trust	
	<input type="checkbox"/> CC	<input type="checkbox"/> Other	Other Specify <input type="text"/>
	<input type="checkbox"/> Partnership		

**Supplier Account Details**

(This field is compulsory and should be completed by a bank official from the relevant bank).

Account Name			
Account Number			
Branch Name			
Branch Number			
Account Type	<input type="checkbox"/> Cheque Account		
	<input type="checkbox"/> Savings Account		
	<input type="checkbox"/> Transmission Account		
	<input type="checkbox"/> Bond Account		
	<input type="checkbox"/> Other (Please Specify)		
ID Number			
Passport Number			
Company Registration Number			
*CC Registration			
* Please include CC/CK where applicable			
Practise Number			
<b>When the bank stamps this entity maintenence form they confirm that all the information completed by the entity is correct.</b>	<b>Bank stamp</b>		
	It is hereby confirmed that this details have been verified against the following screens <b>ABSA-CIF screen</b> <b>FNB-Hogans system on the CIS4</b> <b>STD Bank-Look-up-screen</b> <b>Nedbank- Banking Platform under the Client Details Tab</b>		

**Contact Details**

Business			
	<i>Area Code</i>	<i>Telephone Number</i>	<i>Extension</i>
Home			
	<i>Area Code</i>	<i>Telephone Number</i>	<i>Extension</i>
Fax			
	<i>Area Code</i>	<i>Telephone Number</i>	
Cell			
	<i>Cell Code</i>	<i>Cell Number</i>	
E-mail Address			
Contact Person			

	<b>Supplier</b>	<b>Regional Office Sender</b>	Address of Rural Development and Land Reform Office where form is submitted from:
<b>Signature</b>			
<b>Print Name</b>			
<b>Rank</b>			
<b>Date (dd/mm/yyyy)</b>			



**agriculture, land reform  
& rural development**

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY, DELIVERY AND OFFLOADING OF DRAGLINE IRRIGATION SYSTEM MATERIALS FOR BUFFELSPRUIT, FIGTREE C, FIGTREE D, LANGELOOP 1, MADADENI, NHLANGU EAST AND NHLANGU WEST IRRIGATION SCHEMES IN NKOMAZI LOCAL MUNICIPALITY**

**TENDER NUMBER: DALRRDMP0003 (2021/2022)**

**NON- COMPULSORY CLARIFICATION MEETING:** There will be a non-compulsory clarification meeting.

**Date:** 29 June 2021

**Venue:** Virtual (Microsoft Teams)

**Bidders are requested to send their email addresses to tender contact details to be invited on or before 28 June 2021 at 14:00**

**[Damian.rudolph@dalrrd.gov.za](mailto:Damian.rudolph@dalrrd.gov.za)**

**[Nonhlanhla.hlatshwayo@dalrrd.gov.za](mailto:Nonhlanhla.hlatshwayo@dalrrd.gov.za)**

**CLOSING DATE:**

**DATE:** 09 July 2021

**TIME:** 11:00 AM

**VENUE:** BID BOX SITUATED AT 17 Van Rensburg Street, Bateleur Building, 6<sup>th</sup> Floor, Block E Nelspruit, 1200

## **SCOPE OF WORKS**

### **1. PURPOSE**

- 1.1 The Department Agriculture Land Reform and Rural Development (DALRRD): Rural Infrastructure Development (RID) Branch, seeks to appoint a service provider to supply and deliver irrigation material comprising of installation of draglines and sprinkler heads for Buffespruit, Figtree C, Figtree D, Langeloop, Madadeni, Nhlangu East And Nhlangu West Irrigation Schemes within the Nkomazi Local Municipality Of Ehlanzeni District Municipality in Mpumalanga Province.

### **2. BACKGROUND**

- 2.1 The RID Branch received a request for assistance indicating the need for infrastructure in the seven (7) sugarcane farms consisting of provision of draglines and sprinkler heads. The areas to be revitalized are situated in seven (7) of the Nkomazi Local Municipality wards i.e. Wards 11, 16, 18, 24, 25, 26 and 29.
- 2.2 The Small Scale Sugarcane Growers (SSSG) comprising of Khanya Ngwane farmer's association; Figtree C farmer's association; Inhlangu east farmer's cooperative; Inhlangu West farmers association; Figtree D farmers association; Bambanani farmers' association; Masitsandzane farmers' cooperative and Mabondweni farmers association are eight (8) Cooperatives from Nkomazi, that are responsible for appointing all personnel and also responsible for the management and administration of the business in each of the projects.
- 2.3 The Small Scale Sugarcane Growers (SSSG) farms with the current irrigation schemes were established between the years 1996 and 1998 and consist of an area of 2188 hectares of cultivated land producing sugarcane. Their produce is currently sold to the two sugar mills located within the Nkomazi area.

### **3. PROJECT OBJECTIVES**

- 3.1 The project will help create new jobs such as pump operators, irrigation managers, clerks and general labour during and after the revitalization process. This will give opportunities to both skilled and unskilled local people to earn an income and therefore alleviate poverty.
- 3.2 Implementation of these RVCP projects will contribute towards the Agri- parks programme contributing to sustainable enterprises in the long run. Revitalization of the seven (7) sugarcane farms will allow the schemes to be fully productive, therefore guarantee food security and job creation for the community of Nkomazi.
- 3.3 Provision of the material will ensure that irrigation at the various schemes continues uninterrupted thus increasing productivity.

## 4. DESCRIPTION OF THE WORKS

### 4.1. Description of the Works

The total works to be carried out under this contract entails supply and delivery of draglines, sprinkler heads and other related components to Buffespruit, Figtree C, Figtree D, Langeloop, Madadeni, Nhlangu East and Nhlangu West Irrigation Schemes.

- Supply and deliver Dragline hose :20mm heavy duty 10 year hose c/w orange strip and marked with a white strip around hose every 18m as follows:
  1. Figtree C : 28 225m
  2. Figtree D: 28 225m
  3. Madadeni: 28 225m
  4. Langeloop 1: 28 225m
  5. Buffelspruit: 25 000m
  6. Nhlangu East: 17 900m
  7. Nhlangu West: 7 900m
- Supply and deliver 20mm plastic sprinklers with nylon nozzle and plug;
- Supply and deliver 20mm short riser dragline pipelets and heavy duty bolted clamps.

### 4.2. Extent of the works

The work to be carried out entails:

The contractor shall supply all the materials outlined in the pricing schedule for the project.

The works shall comprise of:

- a) Supply and deliver a fully functional irrigation material comprising of draglines, sprinkler heads and other related components for Buffespruit, Figtree C, Figtree D, Langeloop, Madadeni, Nhlangu East and Nhlangu West Irrigation Schemes.
- b) Provide Proof of manufacturing certificate and standard to be available and presented to the client.

The description of the works is not necessarily complete and shall not limit the work to be carried out by the Contractor in this contract. Approximate quantities of each type of work are given in the schedule of quantities.

### 4.3. Period of completion of works

The above works in entirety must be completed within the period of **2 months**. It is therefore the contractor's responsibility to ensure that this will be achieved, failing which penalties at a rate of **R1000 per calendar** day which the contractor falls behind, will be charged until such time that works are completed in full.

#### **4.4. Location of the works**

The project is located in Buffelspruit, Figtree C, Figtree D, Langeloop, Madadeni, Nhlangu East and Nhlangu West Irrigation Schemes situated in Nkomazi Local Municipality in the Mpumalanga Province:

##### **GPS Coordinates:**

**Buffelspruit :** 25°39'40.3"S  
31°32'05.7"E

**Langeloop :** 25°39'12.8"S  
31°36'07.6"E

**Nhlangu West:** 25°41'08.6"S  
31°32'28.4"E

**Nhlangu East :** 25°41'33.4"S  
31°35'50.2"E

**Figtree C & Figtree D :** 25°47'31.5"S  
31°50'54.5"E

**Madadeni :** 25°48'50.6"S  
31°48'14.7"E

#### **4.5. ENGINEERING**

##### **4.5.1. STANDARDS AND CODES OF PRACTICE**

The Standards and Specifications for all associated work applicable to this Contract shall be:

SANS 271 Thermoplastics hoses, textile-reinforced, for general-purpose water applications - Specification

##### **4.5.2. Manufacturing**

The service provider shall provide the Department and the beneficiaries with specimen of the material before manufacturing. Manufacturing shall only commence once the specimen provided has been approved by the Department.

##### **4.5.3. Testing**

The service provider shall allow in his general rates for all inspections, pressure and quality testing of the material prior to commissioning of the works. This would include the supply of all necessary equipment that may be required for these tests and/or inspections by the Engineer.

##### **4.5.4. Quality Plans and Control**

The onus to produce work that conforms in quality and accuracy of detail to the requirements of the specifications rests with the Contractor (Service Provider), and the Contractor shall, at his own expense, institute a quality-control system and provide experienced personnel, together with all transport, instruments and equipment to ensure adequate supervision and positive control of the works at all times.



The cost of supervision and process control will be deemed to be included in the rates tendered for the related items of work.

On completion and submission of every part of the Works to the Engineer / Project Manager for examination, the Contractor shall furnish the Engineer with proof of quality in the form of a data pack containing measurements and levels to indicate compliance with the scope of work.

**4.6. Format of Communications**

The contractor and client shall follow the communication protocol through the client and contractor representatives.

Communication media applicable shall be site meetings, telephone, letter and email.

**5. Tenders will be evaluated in terms of the evaluation criteria stipulated below:**

- (A) PREQUALIFICATION CRITERIA
- (B) EVALUATION FOR MANDATORY CRITERIA
- (C) EVALUATION IN TERMS OF FUNCTIONALITY
- (D) EVALUATION IN TERMS OF 80/20 PREFERENCE POINT SYSTEM AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS 2017.

**A. Pre-Qualification Criteria**

Only tenderers who meet the following Pre-qualification criteria for Preferential Procurement may respond to this Bid:

**Subcontracting**

Clause referred to in Standard Conditions of Tender Document

The Department committed to implement the set aside (sub-contracting) rule from a minimum of 5% as depicted in the table below,

Bid Value Including VAT	Set Aside % for Subcontracting as per 14.5 Implementation Guide PPR2017	<ol style="list-style-type: none"> <li>1. All bids must be advertised with the condition of set aside percentage for contracting as per the offer, 14.11 Implementation Guide, PPR2017.</li> <li>2. The Department reserves the right to set aside a bid for its target market: Youth/NARYSEC Graduates, Women Cooperatives and Rural Area Businesses.</li> <li>3. The Department reserves a right to allocate any bid among preferred bidders as per their risk profile.</li> <li>4. Any bid may be set aside to uplift a community / individuals / businesses of any designated group</li> <li>5. Set aside conditions are also applicable to quotations as per 5.12, Implementation Guide PPR2017.</li> <li>6. No contractor shall be allowed to subcontract with his/her subsidiary companies or fronting as this would lead to termination of the contract with DALRRD. 14.14 Implementation Guide, PPR2017.</li> </ol>
From R 3 million	5%	
From R 9 million	10%	
From R15 million	15%	
From R25 million	20%	
From R30 million	30%	

Refine the search using Preferential Procurement Regulations 2017 filters. The filters will enable the institution's CSD user to refine the search for potential suppliers based on:

- a) B-BBEE status level of contributor; or
- b) Enterprise type (Exempted Micro Enterprise (EME) and/or Qualifying Small Enterprise (QSE)); and/or
- c) Designated groups which are at least 51% owned by:
  - (i) black people
  - (ii) black people who are youth
  - (iii) black people who are women
  - (iv) black people with disabilities
  - (v) black people who are military veterans
  - (vi) black people that formed a cooperative (primary, secondary or tertiary cooperative)
  - (vii) black people living in rural areas or underdeveloped area or townships.
  - (viii) EME or QSE

1. **A tenderer subcontracting a minimum of 10% to an EME or QSE which is at least 51% owned by black people.**

2. Tenderers are required to submit proof of B-BBEE Status Level of contributor. Proof includes **valid B-BBEE Status Level Verification Certificates** (Verification Agencies accredited by SANAS) or Sworn Affidavit signed by the deponent and attested by the Commissioner of Oaths or B-BBEE certificate issued by the Companies and Intellectual Property Commission to substantiate their BBEE rating claims together with their tenders.

**NB: Bidders are required to submit proof of B-BBEE status level of contributor for each and every proposed sub-contractor**

3. Tenderers **must** submit proof of signed subcontracting arrangement between the main tenderer and the subcontractor/s. Proof of subcontracting arrangement may include a subcontracting agreement between main tenderer and the subcontractor/s and **must** be signed.

**NB: Proof of signed subcontracting arrangement between the main bidder and the subcontractor/s must be submitted for each and every proposed sub-contractor.**

4. Main Service Providers are discouraged from subcontracting with their subsidiary companies as this may be interpreted as subcontracting with themselves and / or using their subsidiaries for fronting. Where the primary Service Provider subcontracts with a subsidiary this must be declared in the tender document.

5. Tenders that do not meet subcontracting requirements are considered as being not acceptable tenders and will be disqualified and will not be considered for further evaluation or award.

**Bidders are required to submit the following documents with their Bids. Failure to submit will lead to disqualification of the Bid:**

6. SUB-CONTRACTOR LINK: The report containing the list of potential subcontractors may be drawn by accessing the following links on [www.csd.gov.za](http://www.csd.gov.za).

7. **It is the responsibility of the tenderer to select competent subcontractors that meet all requirements of the tender so that their tender is not jeopardized by the subcontractor when evaluated. Tenderers are responsible for all due diligence on their sub-contractors. Note: Any tender not complying with the above-mentioned stipulations, will be regarded as nonresponsive and will therefore not be considered for further evaluation**

## **B. MANDATORY REQUIREMENTS FOR BIDDING**

**Any bid submission that fails to comply with any of the mandatory requirements listed below, will automatically be disqualified.**

**7.1. Attach a resolution letter authorizing a particular person to sign the bid documents. Failure to submit such documentation will automatically disqualify the bid.**

**Only duly authorised signatories must sign the original and all copies of the Quotation bid offer where required.**

7.1.1. In the case of a ONE-PERSON CONCERN submitting a Quotation bid, this shall be clearly stated on the company letter head.

7.1.2. In case of a COMPANY submitting a quotation bid, include a copy of a resolution by its board of directors authorizing a director or other official of the company to sign the documents on behalf of the company.

7.1.3. In the case of a CLOSED CORPORATION submitting a quotation bid, include a copy of a resolution by its members authorizing a member or other official of the corporation to sign the documents on each member's behalf.

7.1.4. In the case of a PARTNERSHIP submitting a quotation bid, all the partners shall sign the documents, unless one partner or a group of partners has been authorised to sign on behalf of each partner, in which case proof of such an authorization shall be included in the Tender.

7.1.5. In the case of a JOINT VENTURE submitting a tender, must include a resolution of each company of the Joint Venture together with a resolution by its members authorizing a member of the Joint Venture to sign the documents on behalf of the Joint Venture.

7.2. Compliance with all Tax Clearance requirements:

7.2.1. Attach a Valid Tax Clearance Certificate / provide a Compliance Tax Status Pin on the space provided on the SBD 1 form;

7.2.2. Where consortium / joint ventures/ sub-contractor are involved, each party to the association must submit separate Tax Clearance requirements as proof;

7.3. Where the bidder forms a consortium or a joint venture or is sub-contracting, written proof of the contract must be attached.

**Failure to attach proof of a consortium, joint venture or a subcontracting agreement will lead to disqualification.**

7.4. The bidder must be registered on the National Treasury Central Supplier Database and attach a report as proof or provide registration number (MAAA) in the space provided on SBD 1 form.

7.4.1. If the bidder sub-contracts, the sub-contractor(s) must be registered on the National Treasury Central Supplier Database and the bidder must provide a CSD report as proof thereof.

7.5. The pricing schedule, SBD 3.1, must be completed in full.

**Failure to complete the attached SBD 3.1 (pricing schedule) will lead to disqualification.**

7.6. Submission of a detailed implementation plan (delivery plan) stipulating how the delivery plan will be implemented out in line with the delivery timeframe of 8 weeks.

**Non-submission of a detailed delivery plan will lead to the bid being automatically disqualified.**

7.7. Fully completed Standard Bid Documents (SBD)

7.8. Adherence to sub-contractor departmental policy (Bidder is expected to sub-contract 10% of the project)

7.8.1 Refine the search using Preferential Procurement Regulations 2017 filters. The filters will enable the institution's CSD user to refine the search for potential suppliers based on:

- a) B-BBEE status level of contributor; or
- b) Enterprise type (Exempted Micro Enterprise (EME) and/or Qualifying Small Enterprise (QSE)); and/or
- c) Designated groups which are at least 51% owned by:
  - (i) black people
  - (ii) black people who are youth
  - (iii) black people who are women
  - (iv) black people with disabilities
  - (v) black people who are military veterans
  - (vi) black people that formed a cooperative (primary, secondary or tertiary cooperative)
  - (vii) black people living in rural areas or underdeveloped area or townships.
  - (viii) EME or QSE

**(C) EVALUATION IN TERMS OF FUNCTIONALITY**

Quality (functionality) will be scored on those tenders regarded as being responsive. The CRITERIA to be applied in evaluating responsive tenders is set out in the table below:

The below mentioned values will be utilised by a representative evaluation panel to score responsive tenders:

**0 -no response; 1 – poor; 2 - below average; 3- average 4- good; 5- excellent**

DALRRD shall evaluate the Technical Sections received at Tender Closure, and opened in accordance with the approved procedures, in accordance with the following steps.

In Step 1, DALRRD shall examine each Technical Section submitted to determine whether the Technical Section is complete and substantially responsive.

In Step 2, DALRRD shall evaluate the Technical Sections (refer to schedules 1,2,3 and 4 below) that are substantially responsive based on the following criteria and marking system:

**Evaluation of Tenders:**

The tender evaluation method to evaluate all responsive tender offers will be Method 2.

Tenderers will be evaluated as per the Preferential Procurement Regulation 8(1) which prescribes that only locally produced goods, service or works locally manufactured goods with a stipulated minimum threshold (as indicated in SBD 6.2) for local production and content will be considered.

Apply the **80/20** Preference Point system where a maximum of **Eighty (80)** tender adjudication point be awarded for price. **Twenty (20)** points will be awarded for preference in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Preferential Procurement Regulation, 2017. See section T2.2.8, Form B for the Preference model.

The financial offer will be scored in terms of formula 2, option 1 of the Standard Conditions of Tender (Section T1.3 of the document).

The CRITERIA to be applied in evaluating the proposal is set out in the table below:

Criterion	Weight	Value	Comment / Remarks
Relevant experience in projects similar in nature, scope and value	40		
Quality of completed relevant projects similar in nature and scope	10		
Methodology	30		
Bank rating	20		
<b>TOTAL</b>	<b>100</b>		

The proposal will be evaluated individually on score sheets, by a representative evaluation panel according to the evaluation criteria indicated above. All service providers who scored less than **60** out of **100** points for functionality will not be considered further.

**QUALITY CRITERIA**

NO.	CRITERIA	WEIGHT	INDICATE VALUE	TOTAL
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1	<p><b>RELEVANT EXPERIENCE OF SIMILAR PROJECTS – (40 POINTS)</b></p> <p>Tenderers are required to demonstrate relevant past experience and competency and attach completion certificates and delivery notes in case of supply and delivery projects. Tenderers are required to submit full details of, and <b>reliable contactable references</b> for relevant projects which were successfully completed. Projects relevant must be of similar scope, nature and size, completed within the last seven (7) years.</p> <p>Tenderers should have completed projects of similar nature, with minimum value of R 2 000,000.00 each in the last 7 years.</p> <p><b><u>NB: Bidders are required to attach completion certificates and delivery notes. Failure to submit / attach completion certificates and delivery notes for the projects will result in the bidder not being awarded the points.</u></b></p> <table border="1" data-bbox="276 525 1015 924"> <tr> <td><b>Poor (score 1)</b></td> <td>The tenderer has not listed any relevant completed projects but failed to attach completion certificates. <b>(0-1 Project)</b></td> </tr> <tr> <td><b>Average (score 2)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(2-3 Projects)</b></td> </tr> <tr> <td><b>Good (score 3)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(4-5 Projects)</b></td> </tr> <tr> <td><b>Very Good (score 4)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(6-7 Projects)</b></td> </tr> <tr> <td><b>Excellent (score 5)</b></td> <td>The tenderer has listed eight (8) or more relevant completed projects with completion certificates. <b>(8 or more Projects)</b></td> </tr> </table> <p><b><u>QUALITY OF PREVIOUS SIMILAR PROJECTS COMPLETED</u></b></p>	<b>Poor (score 1)</b>	The tenderer has not listed any relevant completed projects but failed to attach completion certificates. <b>(0-1 Project)</b>	<b>Average (score 2)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(2-3 Projects)</b>	<b>Good (score 3)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(4-5 Projects)</b>	<b>Very Good (score 4)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(6-7 Projects)</b>	<b>Excellent (score 5)</b>	The tenderer has listed eight (8) or more relevant completed projects with completion certificates. <b>(8 or more Projects)</b>	40		
<b>Poor (score 1)</b>	The tenderer has not listed any relevant completed projects but failed to attach completion certificates. <b>(0-1 Project)</b>													
<b>Average (score 2)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(2-3 Projects)</b>													
<b>Good (score 3)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(4-5 Projects)</b>													
<b>Very Good (score 4)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(6-7 Projects)</b>													
<b>Excellent (score 5)</b>	The tenderer has listed eight (8) or more relevant completed projects with completion certificates. <b>(8 or more Projects)</b>													
2	<p>Quality of previous relevant projects completed - ( 10 points)</p> <ul style="list-style-type: none"> <li>• The projects must be of similar scope, nature and value of R 2 000,000.00</li> <li>• The references provided must be contactable</li> </ul> <p>An assessment of performance on previous projects in terms of project/ time management, quality of workmanship, financial management, personnel and equipment resource will form part of the reference checks.</p> <table border="1" data-bbox="276 1260 1128 1564"> <tr> <td><b>Poor (score 1)</b></td> <td>The tenderer has not listed any relevant completed projects and failed to attach completion certificates.<b>(1 Project)</b></td> </tr> <tr> <td><b>Average (score 2)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(2 Projects)</b></td> </tr> <tr> <td><b>Good (score 3)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(3-4 Projects)</b></td> </tr> <tr> <td><b>Very Good (score 4)</b></td> <td>The tenderer has listed relevant completed project with completion certificates. <b>(5-6 Projects)</b></td> </tr> <tr> <td><b>Excellent (score 5)</b></td> <td>The tenderer has listed relevant completed projects with completion certificates. <b>(7 Projects and above)</b></td> </tr> </table>	<b>Poor (score 1)</b>	The tenderer has not listed any relevant completed projects and failed to attach completion certificates. <b>(1 Project)</b>	<b>Average (score 2)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(2 Projects)</b>	<b>Good (score 3)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(3-4 Projects)</b>	<b>Very Good (score 4)</b>	The tenderer has listed relevant completed project with completion certificates. <b>(5-6 Projects)</b>	<b>Excellent (score 5)</b>	The tenderer has listed relevant completed projects with completion certificates. <b>(7 Projects and above)</b>	10		
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<b>Excellent (score 5)</b>	The tenderer has listed relevant completed projects with completion certificates. <b>(7 Projects and above)</b>													

3	<p><b><u>METHODOLOGY</u></b></p> <p>The service provider must demonstrate by providing a unambiguous execution plan detailing all the necessary steps required to complete the project successfully, taking into consideration the expected delivery period, Programme of works; Subcontracting; Manufacturing plan; Risk plan, Health and Safety etc.</p> <p>Up to maximum of <b>30 Points</b> shall be awarded to the tenderers for these criteria.</p> <p><b>Failure to provide the execution plan as indicated will result in the tenderer being scored poor.</b></p>	30		
4	<p><b><u>BANK RATING</u></b></p> <p>Letter from bank with ratings</p> <ul style="list-style-type: none"> <li>• A=5</li> <li>• B=4</li> <li>• C=3</li> <li>• D=2</li> <li>• E=1</li> <li>• No rating=No points will be allocated.</li> </ul>	20		

**(D) EVALUATION IN TERMS OF 80/20 PREFERENCE POINT SYSTEM AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS 2017.**

This Bid is estimated not to exceed R50 000 000.00, therefore the **80/20** system will be used. Financial offer (80) and Preferences (20) will be used for the evaluation. Bidders will submit **one** envelope.

The procedure for evaluation of responsive Bid Offers will be Method 4: Financial Offer, Quality (Functionality) and Preferences. The Bids will first be evaluated on quality. Only bids higher than the minimum quality score of **60%** as well as achieved minimum acceptable score ratings as stipulated on the quality evaluation criteria below will be evaluated. The responsive Bid with the highest combined total points for Financial Offer and Preferences is the preferred Bidder.

The Department will have the authority to award the tender according to the following criteria: Preference points claim for equity ownership out of a total of 20 points shall be as follows:

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

80 points will be awarded to the lowest tenderer of any group of price schedules and qualification as follows:

## 6. DELIVERY ADDRESS

The irrigation material as per specification will be delivered to **Buffespruit, Figtree C, Figtree D, Langeloop, Madadeni, Nhlangu East and Nhlangu West** Irrigation Schemes situated in **Nkomazi Local Municipality in the Mpumalanga Province:**

### GPS Coordinates:

**Buffelspruit** : 25°39'40.3"S  
31°32'05.7"E

**Langeloop** : 25°39'12.8"S  
31°36'07.6"E

**Nhlangu West** : 25°41'08.6"S  
31°32'28.4"E

**Nhlangu East** : 25°41'33.4"S  
31°35'50.2"E

**Figtree C & Figtree D** : 25°47'31.5"S  
31°50'54.5"E

**Madadeni** : 25°48'50.6"S  
31°48'14.7"E

### Contact persons:

- **Official:** Ms Sivenathi Xakana - 071 476 5165
- **Beneficiary:** Mr Zonke Mabuza– 082 820 7020 ([zonke.mabuza@rcffoods.com](mailto:zonke.mabuza@rcffoods.com))

**NB: The appointed service provider must make prior arrangements with both the departmental official and the beneficiary (03) three days before delivery.**



**7. MONITORING AND REPORTING**

7.1. The service provider would be requested to use the departmental templates for submission of portfolio of evidence for the material supplied and delivered.

**8. PAYMENT METHOD**

8.1. Payment will only be done within 30 days after successful completion of supply, delivery and testing of the irrigation material.

**9. TIME FRAME**

9.1. The timeframe for the supply, delivery of the irrigation material should be within 4 to 8 weeks from the date of appointment.

**10. BID EVALUATION CRITERIA**

10.1. Bid proposals that meet all the requirements of these special conditions of contract, will be evaluated in accordance with the PPR2017, being regulations formulated under the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

10.2. Bid proposals will be evaluated in one stage - an evaluation based on the 80/20 preference points system.

A maximum of 80 points are awarded for comparative total bid price, specified; and, 20 points are awarded in accordance with the bidder's B-BBEE Contributor Status Level. The 20 points will be awarded in accordance with the bidder's B-BBEE Contributor Status Level as per the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
1	20
2	18

3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

In order to claim the B-BBEE Status Level Contributor points, bidders must submit an original and valid B-BBEE Status Level Verification certificate or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims.

- 10.2.1. Bidders who do not submit B-BBEE Status Level Verifications certificates or are non-compliant contributors to B-BBEE, do not qualify for preference points for B- BBEE, but will not be disqualified from the bidding process. They will score points out of 80 for price only and zero (0) points out of 20 for B-BBEE.
- 10.2.2. A trust, consortium or joint venture will qualify for points for the B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B- BBEE scorecard as if they were a group structure and that such a consolidated B- BBEE scorecard is prepared for every separate bid.
- 10.2.3. Any bid that is qualified by the bidders own conditions will automatically be disqualified.

**11. BID CONDITIONS**

- 11.1. Apart from any Special Conditions stipulated in this bid, the General Conditions of Contract shall also apply;
- 11.2. Bidders must familiarize themselves with the General Conditions of Contract (GCC) prior to submitting bid proposals.

**12. LIABILITY OF THE STATE**

The State shall not be liable for any damages to persons or property in supplying the deliverables contained in this bid.

**13. TERMS AND CONDITIONS**

- a. General Contract Conditions (GCC);
- b. Authority to sign the Standard Bidding Documents (SBD) on behalf of an entity;
- c. Authority of Signatory;
- d. SBD1: Invitation to Bid;
- e. SBD 2: Tax Clearance requirements
- f. SBD 3.1: Pricing Schedule - Firm Prices (Purchase);
- g. SBD4: Declaration of Interest;
- h. SBD 6.1: Preference Points Claim Form

- i. SBD 8: Declaration of Bidder's past Supply Chain Management practices;
- j. SBD9: Certificate of Independent Bid Determination.

**(All SBD's must be fully completed and signed, failure to comply will disqualify your proposal)**

**14. SPECIAL CONDITIONS OF CONTRACT**

14.1 Where contractors form a consortium, the principal bidder will take responsibility for the security of the data for the duration of the contract and the safe delivery thereof to DALRRD (RID). The principal bidder will be responsible for liaising with the RID relating to all issues surrounding the contract and is accountable for the acceptance of the final product by RID. All members of such a consortium must provide written indication of their appointment of the principal bidder with the bid submission.

14.2 Service Provider must be registered on the National Treasury Central Supplier Database and proof thereof must be furnished (supplier number and unique registration number)

14.3 Bidders wishing to form such a consortium must supply the names of the members of the consortium, the phases of the work to be undertaken by each member and written confirmation that each party is available and prepared to undertake the work within the timeframes set in this bid specification.

14.4 If any members of such a consortium do not comply with the conditions of the specification, the entire consortium will be disqualified.

14.5 The successful bidder is expected to inform the Department of the sub-contracting arrangements and access to the sub-contracted entities for the purposes of quality, compliance checks, security and tax issues.

14.6 Bidders are required to submit proof of B-BBEE Status Level of contributor or a sworn affidavit in terms of the codes of good practice.

14.7 AOs / AAs (Accounting Officer / Accounting Authority) must ensure that the B-BBEE Status Level Verification Certificates submitted are issued by the following agencies:

14.8 For tenderers other than EMEs (Exempted Micro Enterprises)

- (i) Verification agencies accredited by SANAS; or

14.9 For tenderers who qualify as EMEs

14.9.1 Sworn affidavit signed by the EME representative and attested by a Commissioner of oaths.

14.10 With the exception of EMEs and QSEs who are required to submit sworn affidavit in terms of Codes of good practice. Institutions must acquaint themselves with proof of B-BBEE as may be issued by the Department of Trade and Industry (DTI) from time to time.

**15. SUBMISSION OF PROPOSAL**

The prospective service provider must submit the proposal before or on the closing date and time.

**16. ENQUIRIES**

<b>Technical Enquiries</b>	<b>SCM Related Enquiries</b>
Ms Sivenathi Xakana / Mr Mahlatse Mamabolo	Mr Damian Rudolph / Ms Nonhlanhla Hlatshwayo
Tel: 013 754 8114 / 8117 Mobile: 071 476 5165 /	Tel: 013 754 8034 /8038 Mobile: 082 947 6304
<a href="mailto:sivenathi.xakana@dalrrd.gov.za">sivenathi.xakana@dalrrd.gov.za</a> <a href="mailto:mahlaste.mamabolo@dalrrd.gov.za">mahlaste.mamabolo@dalrrd.gov.za</a>	<a href="mailto:damian.rudolph@dalrrd.gov.za">damian.rudolph@dalrrd.gov.za</a> <a href="mailto:Nonhlanhla.hlatshwayo@dalrrd.gov.za">Nonhlanhla.hlatshwayo@dalrrd.gov.za</a>

**17. METHOD OF PAYMENT**

17.1. Payment shall be made in terms of the successful completion of the deliverables as verified by the project manager, subject to the submission of detailed invoice.

**(No invoices should be delivered on site, only delivery note must accompany the delivery of the goods).**

**PUBLICATIONS**

- E-tender
- Departmental website
- Period –21 Days
- Non- Compulsory briefing – There will be a non-compulsory briefing

**18. OBTAINABILITY OF BID DOCUMENTS**

Bid documents will be available from:

**Department Agriculture Land Reform and Rural  
Development 17 Van Rensburg Street, Bateleur Building  
6<sup>th</sup> Floor, Block E  
Nelspruit  
1200**

Hard copy documents are available for **R100** (One Hundred Rand) at the above-mentioned address or the document can be downloaded for free on the Departmental (**DALRRD**) website and E-Tender.