land reform & rural development
Department:
Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

2030 NDP

Free State Shared Service Centre, Private Bag X 20803, Bloemfontein, 9300
Enquiries: MR G.G MATSHE, gladman.matshe@dlrrd.gov.za, Telephone (051) 4004200

YOU ARE HEREBY INVITED TO BID TO THE DEPARTMENT OF LAND REFORM AND RURAL DEVELOPMENT:

QUOTATION NO : DLRRD-016966
COMPULSORRY N/A **TIME: N/A**
CLOSING DATE : 25/11/2026 **TIME: 11:00 am**

APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.

BID PROPOSAL RECEIVED AFTER CLOSING DATE AND TIME ARE LATE AND WILL NOT BE ACCEPTED FOR CONSIDERATION.

N.B: SUPPLIERS ARE ADVISED TO REGISTER ON CSD- www.csd.gov.za

Kindly furnish us with proposal for services shown on the attached documents.

1. Attached please find the SBD1, SBD 3.1, Transport Tariffs, SBD 4, SBD 6.1, Terms of reference (ToR), and GCC.

2. If you are a sole agent or sole supplier, it is essential that you indicate your percentage commission or profit before tax in order that the reasonableness of your quotation price may be gauged, this information will be treated as strictly confidential.

3. All the documents accompanying this quotation invitation must be completed in detail where applicable and returned with your quotation.

4. Please make sure that your quotation reaches this office before the closing time.

5. When submitting your quotation, the following information must appear on the sealed envelope:-

   (i) Name and address of bidder. (ii) Bid Number (iii) Closing Date.

6. Should service providers require a printed copy of the document at a cost of R100.00 obtainable at the address stated Finance Office, 3rd Floor. Suppliers should be in possession of the correct quotation reference number to be assisted.

The proposal should be placed/ deposited in the bid/tender box on entrance ground Floor 136 SA Eagle Building, Charlotte Maxeke Street, Bloemfontein 9300. No e-mailed submissions will be accepted.

OR

If posted, place the afore-mentioned envelope in a covering envelope addressed as follows:-

Quotations, Department of Land Reform and Rural Development, Bloemfontein Office: Private Bag X 20803 Bloemfontein 9300).

Yours faithfully,

SIGNED

MR.C MAMPA
DEPUTY DIRECTOR: SCM
FREE STATE PROVINCIAL SHARED SERVICE CENTRE
DATE: 18/11/2026

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE *(NAME OF DEPARTMENT/ PUBLIC ENTITY)*					
BID NUMBER:	**DLRRD: 016966**	CLOSING DATE:	**24/11/2026**	CLOSING TIME:	**11H00**
DESCRIPTION	**APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.**				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

136 SA EAGLE BUILDING

CHARLOTTE MAXEKE STREET

BLOEMFONTEIN

GROUND FLOOR

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**MR. GLADMAN MATSHE**	CONTACT PERSON	**MS. M. SEKATI**
TELEPHONE NUMBER	**051 400 4200/ 073 336 6144**	TELEPHONE NUMBER	**071 878 9694**
FACSIMILE NUMBER	**N/A**	FACSIMILE NUMBER	**N/A**
E-MAIL ADDRESS	gladman.matshe@dlrrd.gov.za	E-MAIL ADDRESS	**Masego.sekati@dlrrd.gov.za**

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO

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

PART B
TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

S.B.D 3.1 (PRICING SCHEDULE- FIRM PRICES)

DLRRD-016966

APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.

PRICING SCHEDULE

(Professional Services)- Firm Prices

NAME OF BIDDER: .....QUOTATION NO.: **DLRRD-016966**

CLOSING DATE: 25/11/2026 TIME: 11H00

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

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

TOTAL QUOTATION PRICE (INCLUSIVE OF VAT) **R.....**

N.B ALL RATES COMPLETED MUST BE ADDED TOGETHER TO GET THE TOTAL QUOTATION PRICE, AND INCATED ABOVE.

TABLE 1. =PRICING SCHEDULE (All items must be priced for on a rate basis) Annexure A

EXPECTED DELIVERABLE/S IN TERMS OF PROJECT OUTPUT	RATE FOR SERVICE AS PER DELIVERABLE/S (VAT INCLUSIVE)
Item: 1. Consultation Fees and Additional costs • All costs must be inclusive of all consultation and hidden costs, except Transport and Accommodation.	R.....
2. Perusal of Documents- Per hour Monthly reporting. \ • Drafting of pleadings, affidavits and reports • Drafting of letters And formal notices	R.....

Bid Initials .....
Bid's Signature.....
Date:.....

Name of Bidder: .....

APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.

PROVISIONAL ITEMS SUMS (TRAVEL AND ACCOMODATION)	
3. Accommodation per night. • Rate must not exceed the approved Departmental Accommodation rate not exceeding R2 100.00 per night, Accommodation must be secured in the nearest town where services is required or work/s is carried out.	R.....
4. Rate charged for Travell time per hour	R.....
TARRIF FOR VEHICLE UTILITY	
5. Travelling Vehicle per Tariff (See attached Annexure B for vehicles tariffs to be used). N.B= Service provider must refer to Annexure B attached for vehicles and authorised tariffs to be claimed and choose the applicable Tariff.	**Tariff / 100 =** R.....

N.B= ANNEXURE B, serves as a guide and service provider will claim kilometres as per tariff for that particular month.

N.B TOTALS SHOULD NOT BE CALCULATED FOR THE CONTRACT DURATION.

NB: All unit cost must be inclusive of all hidden costs and expenses.

N.B= OFFICIAL PURCHASE ORDER TO THE APPOINTED SERVICE PROVIDER WILL BE ISSUED AS AN OPEN ORDER, AND ALL VARIATIONS WITH FINANCIAL IMPLICATION/S MUST BE APPROVED IN WRITING BEFORE EXECUTION. ALL NECESSORY PORTFOLIO OF EVIDENCE (PoE) MUST BE SUBMITTED TO VALIDATE ALL INVOICE CLAIMS. SUCH CONFIRMATION BY THE SERVICE PROVIDER AND THE RESPONSIBLE OFFICIAL/S WILL BE APPROVED BY THE DIRECTOR TENURE.

Any enquiries regarding bidding procedures may be directed to the –
DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT
PRIVATE BAG X 20803
BLOEMFONTEIN
9300

Bid Initials .....
Bid's Signature.....
Date:.....

Name of Bidder: .....

APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.

Query	Name	Contact Details
Technical	Mr. Tumo Kgoboko Mr. Itumeleng Mothibi Ms. Masego Sekati	072 247 0705 Director: LAND TENURE itumeleng.mothibi@dlrrd.gov.za masego.sekati@dlrrd.gov.za 071 878 9694
Bid related	Mr GG Matshe Bid Management	(051) 400 4200 gladman.matshe@dlrrd.gov.za

THERE WILL BE A NO BRIEFING SESSION THAT WILL BE HELD IN RESPECT OF THIS PROJECT.

Bid Initials .....
Bid's Signature.....
Date:.....

ANNEXURE B

(TARRIFS FOR THE USE OF MOTOR TRANSPORT)

THE DEPARTMENT OF TRANSPORT
Enquiries: Andries Schoeman, Tel: 012 309 3117 – Thobelo Mhlope, Tel: 012 309 3697
Email: schoemaA@dot.gov.za, mhlopeT@dot.gov.za
Rates also available on: https://www.transport.gov.za

Reference: T118

6 October 2026

TO: All heads of departments
Accounting officers

TARIFFS FOR THE USE OF MOTOR TRANSPORT

1. Amendment No 10 of 2026 of the Annexure to Transport Circular No 1 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport as amended; and Private)

2. Amendment of Annexure B of the instructions with regard to the new Subsidized Motor Scheme (Subsidized Scheme A and C).

3. Effective 1 April 2026, the Tariffs for the Use of Motor Transport will include reimbursement for electric vehicles under Category G.

   As a result of the fluctuation of the fuel price on 5 October 2026, the following tariffs are consequently amended from 1 October 2026.

   Please note that the vehicle categorization as provided by the vehicle manufacturers are used in the calculation of the rates.

   - **Private rates include fuel, maintenance, capital, insurance and depreciation.**
     These rates are to be used by all individuals making use of their own motor vehicle transport, including individuals whom structured for car allowances and all officials partaking in Scheme B of the Subsidized Motor Transport scheme.

   - **Subsidized Scheme A rates are only inclusive of fuel.**
     There rates are to be used by all officials taking part in Scheme A of the Subsidized Motor Transport scheme where government contributes towards the capital, insurance and maintenance of the vehicle.

   - **Subsidized Scheme C rates are only inclusive of maintenance.**
     These rates are to be used by all officials taking part in Scheme C of the Subsidized Motor Transport scheme. This rate needs to be added to the rate in Scheme A to determine the rate of reimbursement in cents per kilometre.

Andries Schoeman
For DIRECTOR-GENERAL: TRANSPORT

Category A: - Sedans Station Wagons Oct-26

PETROL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250 CC	SE1250P	367,9	151,1	52,7
1251 - 1550	SE1550P	458,5	176,6	61,1
1551-1750	SE1750P	502,3	204,3	58,7
1751-1950	SE1950P	569,2	206,6	74,8
1951-2150	SE2150P	614,2	233,4	93,0
2151-2500	SE2500P	694,4	261,0	95,9
2501-3500	SE3500P	846,1	263,7	128,1
Greater than 3500	SE3501P	1016,8	362,4	150,4

DIESEL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	SE1250D	407,2	193,3	49,7
1251-1550	SE1550D	472,8	198,8	53,2
1551-1750	SE1750D	530,8	234,4	57,2
1751-1950	SE1950D	552,8	238,5	75,0
1951-2150	SE2150D	633,2	250,9	94,4
2151-2500	SE2500D	717,5	272,5	107,5
Greater than 2500	SE2501D	865,7	283,1	128,4

Category B: - Light Delivery Vehicles Single Cab 4x2 Extended Cab 4x2 Oct-26

PETROL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	LD1250P	319,5	170,4	48,5
1251-1550	LD1550P	427,6	212,3	51,1
1551-1750	LD1750P	492,7	275,8	52,7
1751-1950	LD1950P	554,1	274,6	58,7
1951-2150	LD2150P	568,3	285,3	62,2
2151-2500	LD2500P	613,5	324,1	68,6
2501-3500	LD3500P	644,9	331,3	74,3
Greater than 3500	LD3501P	741,0	362,0	91,2

DIESEL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1250	LD1250D	415,5	205,4	45,9
1251-1550	LD1550D	557,9	266,2	70,9
1551-1750	LD1750D	575,2	284,5	70,0
1751-1950	LD1950D	610,4	312,5	77,1
1951-2150	LD2150D	617,0	316,3	79,9
2151-2500	LD2500D	661,4	344,9	77,2
2501-3500	LD3500D	699,0	377,6	82,2
Greater than 3500	LD3501D	893,8	464,3	92,0

Category C:

All Double Cabs (4x2 and 4x4)
4x4 Light Delivery Vehicles
4x4 Single/ Extended Cabs

Oct-26

PETROL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2000	LV2000P	514,5	242,8	51,0
2001 to 2500	LV2500P	667,4	367,7	60,4
2501-3500	LV3500P	796,9	444,7	64,4
Greater than 3500	LV3501P	874,9	457,2	80,2

DIESEL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2000	LV2000D	642,4	344,4	77,3
2001 to 2500	LV2500D	733,2	366,5	79,0
2501-3500	LV3500D	798,6	374,8	86,3
Greater than 3500	LV3501D	1005,4	526,4	141,6

Category D:

Multi Purpose Vehicles
Sports Utility Vehicles
Crossover vehicles

Oct-26

PETROL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 1550	MP1550P	480,5	189,4	70,3
1551-1950	MP1950P	517,9	209,6	69,1
1951-2150	MP2150P	597,6	230,5	79,3
2151-2500	MP2500P	678,3	257,7	83,0
2501-3500	MP3500P	893,6	337,5	101,9
Greater than 3500	MP3501P	1004,2	388,3	112,0

DIESEL

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 2150	MP2150D	666,0	230,9	97,5
2151-2500	MP2500D	819,7	285,3	95,1
2501-3500	MP3500D	864,3	298,4	111,7
Greater than 3500	MP3501D	1059,8	421,3	134,6

Category F:

Motor Cycle
Scooter

Oct-26

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Up to 250	MC0250P	275,8	N/a	N/a
Over 250	MC0251P	324,1	N/a	N/a

Category G: - **Electrical Vehicles** Oct-26

Engine Category	Persal Ref no.	Private	Sub Scheme A	Sub Scheme C
Smaller than 1500kg	EV1500E	435,4	N/a	N/a
Larger than 1500kg	EV1501E	615,8	N/a	N/a

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

1.1 Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

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

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**

2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	**Identity Number**	**Name of organ of state**

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

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

2.3.1 If so, furnish particulars:

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

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

2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	**Status (active/inactive/deleted)**

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification.

3 GENERAL DECLARATION

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

3.1 I have read and I understand the contents of this disclosure.

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found to be false.

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

.....	.....
Signature	Date
.....	.....
Designation	Name of bidder

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

PRICE QUOTATION PROCESS (UP TO R 1 MILLION)

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

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

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1. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of tender invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions;

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000); and

(f) "Historically Disadvantaged individuals" means a person historically disadvantaged by unfair discrimination on the basis of race: Provided that a person historically disadvantaged on the basis of race refers to Africans, Coloureds, Indians and people of Chinese descent who are South African citizens by birth or descent; or who became citizens of the Republic of South Africa by Naturalisation -

- Before 27 April 1994; or
- On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date.

2. GENERAL CONDITIONS

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

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

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

a) The applicable preference point system for this tender is the 80/20 preference point system.

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

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

(a) Price; and

(b) Specific Goals.

2.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

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

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

2.6 Tenderers that fail to claim points for specific goals or that fail to fully complete the table in paragraph 2.12 below, will not be awarded points for specific goals.

2.7 Tenderers that make a calculation error when claiming points as per the table in paragraph 2.12 below, will not be awarded points for specific goals. Please take note of the examples on how to calculate points for specific goals as per paragraph 2.12 below.

2.8 Tenderers that fail to submit the correct SBD 6.1 form as issued by the Department of Agriculture, Land Reform and Rural Development, will not be awarded points for specific goals.

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

2.10 Tenderers who wish to claim points in terms of the table in paragraph 2.12 below need to provide proof for each point claimed as guided below:

2.10.1 Historically Disadvantaged individuals (HDI):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.2 Who is female:

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.3 Who has a disability:

- **Attach a certified copy or original doctor's letter confirming the disability.**

2.10.4 Who is youth (a person that is not older than 35 years on the closing date of a bid):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.11 The Department will use the Central Supplier Database and documents submitted by the tenderer to verify the points claimed for specific goals.

2.12 **Specific goals for the tender and points claimed are indicated per the table below.**

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

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

The specific goals allocated points in terms of this tender	**Number of points allocated (80/20 system)**	**Percentage ownership equity (To be completed by the tenderer)**	**Number of points claimed (80/20 system) (To be completed by the tenderer)**
I. HDI	10		
II. Who is female	5		
III. Who has a disability	2		
IV. Specific goal: Who is youth	3		

The number of points claimed for specific goals, are calculated as follow:

(I) A maximum of 10 points may be allocated to tenderers who had no franchise in national elections before the 1983 and 1993 Constitution, on the following basis:

- **Percentage ownership equity** x 10 ÷ 100 = number of points claimed.

(II) A maximum of 5 points may be allocated for to tenderers who is female, on the following basis:

- **Percentage ownership equity** x 5 ÷ 100 = number of points claimed.

(III) A maximum of 2 points may be allocated to tenderers who has a disability, on the following basis:

- **Percentage ownership equity** x 2 ÷ 100 = number of points claimed.

(IV) A maximum of 3 points may be allocated to tenderers who are youth, on the following basis:

- **Percentage ownership equity** x 3 ÷ 100 = number of points claimed.

2.13 It is important to note that failure by a tenderer to complete the table in paragraph 2.12 in full, will result in points for specific goals not to be allocated.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in the table in paragraph 2.12 above as may be supported by proof/ documentation stated in the conditions of this tender.

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

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

4.3 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their members, be entitled to claim points in respect of specific contract participation goals.

4.4 A tenderer will not be awarded points for HDI if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for the same number or more points for equity ownership.

4.5 A tenderer awarded a contract as a result of preference for contracting with, or providing equity ownership to a HDI, may not subcontract more than 25% of the value of the contract to a tenderer who is not a HDI or does not qualify for the same number or more preference for equity ownership.

5. SUB-CONTRACTING

5.1 Will any portion of the contract be sub-contracted?
(***Tick applicable box***)

YES		NO	

5.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted: .....%

ii) The name of the sub-contractor: .....

iii) Points claimed for HDI by the sub-contractor: .....

6. DECLARATION WITH REGARD TO COMPANY/FIRM

6.1. Name of company/firm: .....

6.2. Company registration number: .....

6.3. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

land reform &
rural development
Department:
Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

Office of the Operations Manager: RSSC Thabo Mofutsanyane District; 17A Pres. Boshoff Street, Nedbank Building, 2nd Floor P.O Box 2566, Bethlehem, 9700 Tel: (058) 303 3021 |

TERMS OF REFERENCE

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER, FIRM OR CONSORTIUM TO ASSIST THE DEPARTMENT OF LAND REFORM & RURAL DEVELOPMENT (DLRRD) WITH MEDIATION SERVICES IN TERMS OF SECTION 21 OF EXTENSION OF SECURITY OF TENURE ACT 8 OF 2018 AS AMENDED TO PROVIDE MEDIATION SERVICES IN THE DISPUTE MATTER OF KARLOU BOERDERY (PTY) LTD VS PAKALITHA MOTAI & OTHERS.

1. INTRODUCTION AND BACKGROUND

1.1 The Department of Land Reform and Rural Development (DLRRD) wishes to procure the services of a professional mediator in terms of Section 10(1)(e) and Section 21 of Extension of Security of Tenure Act 62 of 1997 as amended in the eviction matter of Karlou Boerdery (Pty) Ltd VS Pakalitha Motai & Others. Service Providers are selected from the accredited mediators in the Procurement Database System and are requested to provide quotations for mediation service.

2. DETAILS OF THE MATTER

Occupiers	1. Pakalitha Motai
Farm Owner	Karlou Boerdery (Pty) Ltd represented by Jan Hendrik Gerhardus Wilkinson
Farm description	Farm Koeiyenfontein No. 839, District Rosendal, Free State Province
Description of the matter	To provide mediation services to farm occupiers and farm owners regarding the ttermination of right of residence in terms of Section 8 of ESTA
Note: The successful bidder is required to reflect the File Reference Number and the Bid Number, indicated above, on the cover of his/her report.	

The above matter must be mediated, and the appointed mediator must provide a completed mediation report.

Department of Land Reform and Rural Development ' Departement van Grondhervorming en Landelike Ontwikkeling ' UmNyango wokuBuyiselwa kweNarha nokuThuthukisa iiNdawo zemaKhaya ' ISebe loBuyekezo lweMihlaba noPhuhliso lwamaPhandle ' UMnyango Wezinguquko Kwezomhlaba Nokuthuthukiswa Kwezindawo Zasemaphandleni ' Kgoro ya Peakanyoleswa ya Naga le Tlhabollo ya Dinagamagae ' Lefapha la Kabobotjha ya Naha le Ntshetsopele ya dibaka tsa Mahaeng ' Lefapha laTokafatso ya Lefatshe le Tlhabololo ya Magae ' Litiko Letingucuko Kutemhlaba Nekutfutfukiswa Kwetindzawo Tasemaphandleni ' Muhasho wa Mbuyedzedzo ya Mavu na Mveledziso ya Mahayani ' Ndzawulo ya Antswiso wa Misava na Nhluvukiso wa Matikoxikaya.

3. BACKGROUND

3.1 Section 21 of Extension of Security of Tenure Act 62 of 1997 as amended (ESTA) provides that:

(1) A party may request the Director-General to appoint one or more persons with expertise in dispute resolution to facilitate meetings of interested parties and to attempt to mediate and settle any dispute in terms of this Act.

(2) The Director-General may, on the conditions that he or she may determine. appoint a person referred to in subsection (1): Provided that the parties may at any time. by agreement. appoint another person to facilitate meetings or mediate a dispute, on the conditions that the Director-General may determine.

(3) A person appointed in terms of subsection (1) who is not in the full-time service of the State may from moneys appropriated by Parliament for that purpose be paid such remuneration and allowances as may be determined by the Minister in consultation with the Minister of Finance for services performed by him or her.

(4) All discussions, disclosures and submissions which take place or are made during the mediation process shall be privileged, unless the parties agree to the contrary.

3.2 Section 10(1)(e) of ESTA states that an order for the eviction of a person who was an occupier on 4 February 1997 may be granted if the owner or person in charge or the occupier have attempted mediation to settle the dispute in terms of section 21 or referred the dispute for arbitration in terms of section 22, and the court is satisfied that the circumstances surrounding the order for eviction is of such a nature that it could not be settled by way of mediation or arbitration.

4. MANDATORY REQUIREMENTS

Failure for the company/ bidder to provide the following requirements together with the quotation/ proposal will render the submission as Non-responsive and proposal will not be evaluated further:

(a) **Mediator**: If the bidder is a mediator, they must attach a certificate of mediation training from a registered, lawful and accredited training institution in line with SAQA requirements. Qualification will be verified for authenticity in line with SAQA requirements.

(b) **Attorney**: If the bidder is an attorney, they must attach proof of admission as an attorney of the High Court of South Africa and provide legal practice confirmation that indicates that practice is in good standing.

(c) The Bidder/ company owner/ Mediator/ Attorney must demonstrate proven experience One (1) or above years' experience as a mediator or as an attorney (Attach CV, indicating relevant and required experience with contactable references).

(d) The service provider must complete a pricing schedule SBD 3.1 (Firm Prices pricing schedule) for each item as per terms of reference.

5. DELIVERABLES

5.1 In carrying out the above function, the mediator shall be required to:

(1) To receive and accept case allocation letter from DLRRD.
(2) To consult with the relevant official.
(3) To file a project execution plan with stages, activities, milestones, and timeframes.
(4) To file an estimated budget to execute the mandate for an allocated matter
(5) To consult with the parties in the matter at their convenience.
(6) To conduct mediation and give advice.
(7) Conduct a fact-finding exercise or enquiry and compile a Fact Finding/ Preliminary Report (detailing prospects of success of the matter and the best way to provide services required).
(8) To submit compulsory monthly reports on the progress of the matters and/or file reports as and when requested to do, rendered with proof of evidence (POE).
(9) To submit a closeout report / mediation report at the finalization of a matter.

6. TIME FRAME AND IMPLEMENTATION SCHEDULE FOR MATTERS

6.1 The duration of the mediation process shall be three (3) months from the date the appointment letter is issued.

6.2 The contract is for a specific time frame, and the service provider is expected to adhere to the specific time frames stipulated in the contract. The contract may be extended in the event it is not feasible to conclude the task within the stipulated time frame. However, the extension must be agreed to between the parties and reduced to in writing.

7. MEDIATION REPORT STRUCTURE:

7.1 The mediation reports should be as follows:

- Title page
- Table of contents
- Instruction
- Definitions
- Purpose of the mediation
- Details of the parties including:
  - Name and surname
  - Identity number
  - Address
  - Telephone number
- Details of the mediation including:
  - Date
  - Venue
  - Duration of the meeting
  - Main issues discussed
- Summaries of all meetings held throughout the mediation
- Type of settlement reached: Full, partial or unsuccessful
- Photographs (Preferably in colour in applicable)
- Copies of all the relevant documents

8. CONFIDENTIALITY

8.1 No material or information derived from the provision of the services under the contract may be used for any other purpose except for those of DLRRD, except where duly authorized to do so in writing by DLRRD.

8.2 Copyright in respect of all documents and data prepared or developed for the purpose of the project by the Service Provider shall be vested in DLRRD.

8.3 The successful Service Provider agrees to keep confidential all records and information of or related to the project and not disclose such records or information to any third party or owner without the prior written consent of DLRRD.

9. PRICING

9.1 Total amount of the quotation must be fixed and inclusive of VAT. If registered as VAT vendor provide the fee, VAT and total amount.

10. PAYMENT

10.1 Payment will be made in full once the services rendered have been completed and accepted by the office.

10.2 The service provider will produce an invoice after the mediation report has been discussed with and accepted by DLRRD officials.

11. FURTHER INSTRUCTIONS

11.1 The mediator will present and defend the mediation report in any court of law, should it be necessary.

11.2 The mediator will work in close cooperation with the Project Officer and/or any designated DLRRD official responsible for managing the project and inform them of any developments on weekly basis.

11.3 The mediator will be called upon by DLRRD and/or any designated official whenever it is necessary to further explain the mediation report as part of the service without any extra charge.

11.4 The mediator should submit a soft copy of the mediation report to this email address: **Masego.Sekati@dlrrd.gov.za** and **Lorato.Sedupane@dlrrd.gov.za.**

11.5 The Mediator should submit a hard copy of the valuation report to this address:

Attention: **Deputy Director: Tenure Reform Implementation**
17A President Boshoff Street
Nedbank Building
2nd Floor
Bethlehem
9700

12. MANAGEMENT OF THE PROJECT

12.1 The Project Manager will manage the project. The responsible Project Officer of the area will manage facilitation and monitoring of information for the service provider. DLRRD assumes total accountability and therefore authorizes all expenditure for the project. All such expenses should be documented by DLRRD.

12.2 The requested mediation reports and invoice should be delivered to the Manager of the Supply Chain Management Unit.

13. PENALTIES

13.1 If the mediator fails to perform as desired in any of the paragraphs, listed in this term of reference, the report will not be accepted, and no payment whatsoever will be made to the mediator/service provider.

13.2 If the mediator fails to meet the time frame stipulated by DLRRD, the DLRRD reserves the right to deduct 5% of the quoted amount after every five (5) working days. The latter five (5) percent will be deducted every five working days from the last day of the timeframe stipulated by DLRRD.

13.3 Notwithstanding 14.2 above, DLRRD reserves the right to rescind the contract without any payment, if there is a breach of any of the paragraphs in this document. In that event, the mediator must be given a notice of two working days that DLRRD intends to terminate the contract.

14. IMPOSSIBILITY OF PERFOMANCE

14.1 In the event that there is non-performance due to matters beyond any parties' control, both parties waive any claims against each other.

15. EVALUATION CRITERIA

15.1 Bids will be evaluated in terms of 80/20 preference points system as prescribed in the Preferential Procurement Regulations 2022.

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

In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of - an invitation for tender for income-generating contracts, that either the 80/20 preference point system will apply and that the highest acceptable tender will be used to

determine the applicable preference point system; or any other invitation for tender, that either the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
I. HDI	10		
II. Who is female	5		
III. Who has a disability	2		
IV. Specific goal: Who is youth	3		

16. Supply Chain Management Enquiries:

Mr. Gladman Matshe

Tel: 051 400 4200

Email: gladman.matshe@dlrrd.gov.za

OR

Ms. Palesa Nhlapo

Tel: 051 400 4200

Email: palesa.nhlapo@dlrrd.gov.za

17. PUBLICATION:

E-tenter/ portal

18. ADVERT PERIOD:

QUOTATION 05 WORKING DAYS

19. CLOSING DATE:

25TH of NOVEMBER 2026

20. SUMISSION OF QUOTATION PROPOSALS:

PROPOSALS CAN BE DEPOSITED IN THE BID BOX SISUTATED AT

THE DEPARTMENT OF LAND REFORM AND RURAL DEVELOPMENT
136 SA EAGLE BULDING
CHARLOTTE MAXEKE STREET
BLOEMFONTEIN
FREE STATE

E-mail submissions will also be accepted, submission to be submitted to the following officials only:

Mr. Gladman Matshe
Email: gladman.matshe@dlrrd.gov.za

And/OR

Ms. Palesa Nhlapo
Email: palesa.nhlapo@dlrrd.gov.za

SUBMISSION/S TO INVITE MUST REACH THE ADDRESSES AS INDICATED ABOVE ON OR BEFOR THE DATE AND TIME OF CLOSING. NO LATE SUBMISSONS WILL BE ACCEPTED.

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of 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.