TERMS OF REFERENCE

BID NO: DMSA 04-2026/27

APPOINTMENT OF A SERVICE PROVIDER TO RENDER PROVISION OF BANKING SERVICES TO DITSONG MUSEUMS OF SOUTH AFRICA (DMSA) FOR A PERIOD OF FIVE (5) YEARS.

CLOSING DATE AND TIME: 14 DECEMBER 2026 AT 11:00 AM

BID VALIDITY PERIOD: 120 DAYS

DITSONG Museums of South Africa (DMSA) is a schedule 3A public entity, accountable to the Department of Sport, Arts and Culture (DSAC) and Parliament. DMSA develops, manages and administers some of the largest and most significant Southern African heritage assets in the fields of archaeozoology, palaeontology, cultural history, anthropology, archaeology and military history; which require constant monitoring of the sustainable and responsible custodianship of these irreplaceable national heritage assets.

Tenders are hereby invited from bidders for the provision of banking services to DMSA for a period of five (5) years / sixty (60) months.

These terms of reference invite proposals from bidders representing a team of suitably qualified and experienced bidders in the Corporate/Commercial Banking Services.

1. GENERAL CONDITIONS OF TENDER

1.1 INTRODUCTION

Section 7 (2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) stipulates as follows: '*a department authorised to open a bank account in terms of the prescribed framework; a public entity or a constitutional institution may open a bank account only:*

a) With a bank registered in South Africa and approved in writing by the National Treasury; and
b) After any prescribed tendering procedures have been complied with.'

1.2 CAPABILITIES AND EXPERIENCE OF BIDDERS

In line with DMSA's strategic vision, bidders are required to provide all information necessary to demonstrate their conformance to the criteria set out in the PFMA, the terms of reference and any other information to demonstrate their capabilities and experience.

The bidding bank will comprise a single team, managed by a single lead person. The members of the team will have both the skill and experience necessary to undertake the range of tasks set out in the terms of reference. Each individual on the team must be personally available to do the work as and when required. The lead person (Account Manager) will be held accountable in terms of the contract for ensuring deliverables in terms of this assignment and for the professional conduct and integrity of the team.

1.3 LEGAL ASPECTS

The laws of the Republic of South Africa shall be applicable to each contract created by the acceptance of a tender, and each bidder shall indicate a place in the Republic and specify it in their tender as their *domicilium citandi et executandi*, where any legal process may be served.

Each bidder shall undertake to accept the jurisdiction of the law courts of South Africa.

1.4 DISQUALIFICATION OF TENDER

The tender of any bidder who has not complied with these tender rules and the instructions reflected in the official tender notice/terms of reference may be disqualified at the discretion of the DMSA.

1.5 LANGUAGE OF CONTRACT

The tender documents should be drafted in English and any contract, which originates from the acceptance of the tender, will be interpreted and construed in English.

1.6 FINANCIAL RESOURCES OF BIDDER

DMSA reserves the right to discuss with the Registrar of Banks, the financial resources of any bidder. The bidder shall provide all reasonable assistance in such an investigation.

1.7 EXCLUSIVE RIGHTS

These terms of reference do not intend or constitute an agreement which gives the bidder an exclusive right to provide all banking services (or corporate/commercial banking services) to DMSA.

In the event that DMSA identifies an additional, new or another need for banking or banking related services after signature of this agreement, and the successful bidder cannot provide such a service/s at a date as determined by DMSA or at the market rate, DMSA may procure such service/s from another service provider.

Should DMSA request the bidder to render such service(s), and the bidder can provide such service(s), the bidder may submit a proposal to provide such service(s) within the timeframe as specified by the DMSA. Should DMSA procure such services from the bidder, the bidder shall provide such services to DMSA at the market rate or as agreed by the relevant parties from time to time.

Certain services as agreed under these terms of reference or final signed agreement may fall into disuse and be discontinued due to an agreement made by DMSA with another service provider prior to the signing of this agreement, or service which has been planned by DMSA to be performed by another service provider prior to this agreement. Where these services have been agreed to in the terms of reference, or final agreement between the successful bidder and DMSA, DMSA reserves the right to stop using such identified services, with written notice, and within a thirty (30) day notice period to the successful bidder of its intention. The discontinuation of such services will be at no cost to DMSA.

2. DESCRIPTION OF WORK AND PAY ITEMS

2.1 GENERAL

This document contains the details of the corporate/commercial banking requirements of DMSA.

It is important that bidders are able to demonstrate their competence to provide for the corporate/commercial banking needs of DMSA, as well as work closely with the officials of DMSA as banking requirements develop.

Bidders must, therefore, demonstrate in their written submissions the financial stability of their organisations, geographical representation nationally, and its technological capabilities.

2.2 BACKGROUND INFORMATION

The following information is given to assist the bidder to determine its ability to handle the volume and complexity of this assignment, as a guide only, and to assist in completing the tender:

a) The annual turnover of DMSA for the 2025/26 financial year is R159 245 000
b) Two hundred (200) employees in DMSA;

2.3 PAYMENT ITEMS/BANK CHARGES

Price will be one of the major factors in determining the suitability of the bidder regarding the various aspects of the corporate/commercial banking services provided.

Therefore, bidders are required to tender in two methods to ease cost comparisons. In other words, the bidder should tender per item and monthly charge.
Bidders must ensure that their pricing covers all relevant banking services required by DMSA and must be completed on the template provided. All additional costs must be included as an appendix to the tender document.

2.4 SPECIFICATIONS

2.4.1 Introduction

The bidder's proposal should unambiguously demonstrate its ability to provide the envisaged services to DMSA professionally. Moreover, this proposal should demonstrate a clear commitment to support DMSA in pursuing partnerships in areas encompassing innovation, creativity, value-adding solutions, Corporate Social Investment (CSI) and pro-active service models.

The requirements of DMSA are that the successful bidder should be able to provide the following:

- Efficient and cost-effective current account administration and online banking services;
- Transfer best practices in financial management, including process re-engineering of cash management and payment services;
- Provide ongoing electronic banking and systems training to support DMSA officials in the effective management of such systems;
- Processes and controls to mitigate operational risk and combat fraud in accordance with the South African Code of Banking Practice;
- Proposed interventions the bidder will implement in response to fraud reported by DMSA to the bidder;
- Enhanced business efficiencies to reduce operating costs;
- Envisaged take-over, implementation, and conversion interfaces between the current banker and the successful bidder;
- The provision of appropriate skills training and development of DMSA officials in all spheres of financial services as required by DMSA, and specify the cost thereof;
- A complete centralised banking service consisting of one current account and one infrastructure bank account;
- Ability to provide minimum of twelve (12) uniquely identifiable cards or wallets with individual limits and transactions separate from the main account for petty cash purposes;
- The ability to handle electronic transactions, including a R4 million salaries bill and third-party payments amounting to R3 million by month end; and R4 million in supplier payments;
- Processes to identify and deal with un-cleared / unidentified transactions reflected in current account to minimise the accumulation of un-cleared items;
- Be the first point of contact for DMSA's investments and funding opportunities, and be able to provide favourable interest rates;
- Facilitate efficient liquidity management and cash-flow forecasting;
- Align Corporate Social Investment policies with DMSA's strategies;
- Formulate mutually beneficial partnerships to realise DMSA needs;

- Provide pragmatic workplace banking solutions to intervene meaningfully in the lives of DMSA officials;
- Comprehensive fleet management solutions;
- Ability to integrate with DMSA's ERP system; and
- Ability to provide or develop payment gateway for online booking system.

These proposed solutions should be discussed under the following headings of the tender document:

3. CORPORATE/COMMERCIAL BANKING SERVICES

3.1 Transactional Banking Services

The following information has been supplied to assist the bidder in understanding the nature of accounts held by DMSA, the volumes, and complexity of transactions. The bidder should take this information into account in formulating the proposal.

3.1.1 Account Categories:

- One (1) Current Account.
- One (1) Infrastructure bank Account.
- Twelve (12) petty cash sub-accounts with own cards or wallets.
- Dedicated relationship management team structure, with a clear escalation clause.
- Comprehensive fleet management solutions.

These accounts should provide:

- Third party deposit identification reference to validate third party depositors (full validation with 20 digits);
- Comprehensive receipts management.

3.1.2 Current account services

DMSA requires that all its bank accounts both current and future be maintained at Pretoria Central based Branch. The successful bidder should provide dedicated branch customer service to address the requirements of DMSA.

The bidder should also commit to provide a dedicated customer relationship management team that is properly trained and understands the banking needs of DMSA.

3.1.3 Petty cash

The bidder should propose to DMSA innovative cashless solutions of dealing with petty cash that are in line with PFMA and National Treasury's rules for handling petty cash. This is linked to the twelve (12) sub-accounts in 3.1.1 above.

3.1.4 Beneficiary bank account verification service

The bidder should provide confirmation (affirmative or negative only) of bank details of suppliers and/ or employees upon request by authorised staff members from DMSA. This service will provide the necessary validation of beneficiary banking details prior to input into the DMSA's beneficiary address book.

Verification of bank account details of suppliers and employees should occur at least twice a year (end of March and September respectively).

The bidder should transmit confirmation requests to the DMSA electronically.

3.1.5 Statements

The bidder should provide and deliver physical statements on all accounts daily to DMSA, by 9:00 am the following day. They should also be able to transmit these statements electronically and via e-mail to designated DMSA officials.

These bank statements shall reflect cheque service fee and cash deposit fees alongside each transaction. Other bank charges may appear as separate line items on the statements.

3.1.6 Data imaging

The bidder should provide DMSA with image copies of all deposit slips debited or credited. These digital copies should be e-mailed.

3.1.7 Deposit identifier

The bidder must be able to identify third party deposits credited to DMSA's accounts. This option shall also routinely validate all deposits to facilitate easy identification and reconciliation of all deposits received. The bidder **must** prove their ability to provide this service.

3.1.8 Charges and fees

The bidder should provide the DMSA with multiple pricing structures where possible.

3.1.9 Fleet Management Solutions

The bidder should provide the DMSA with various fleet management solutions available.

4. ELECTRONIC BANKING SERVICES

4.1 Electronic Banking System

DMSA expects the successful bidder to understand and identify its needs to provide innovative electronic banking (EB) solutions.

Bidders must be able to demonstrate their ability and competence to provide corporate/commercial banking services through adequate EB financial systems infrastructure and branch networks.

The electronic banking service must provide a real-time system that allows for efficient cash management, payments, and receipts. These solutions must have built-in efficiencies with clear cost reduction prospects for both administration and accounting functional controls, and consequent operational risk and fraud reduction.

More particularly, the successful bidder must provide banking and financial solutions that meets DMSA's needs, and must provide the following functionalities:

- Multiple search functions in order to ensure efficient data query and extraction;
- Adequate controls to prevent duplicate transactions from being processed;
- Role based access control;
- Generate transaction audit trails for all users, including tracking of user IP addresses;
- Reporting capability that monitors transactions and capacity management;
- Generate exception reports based on predetermined thresholds;

- Incorporate a unique key whenever a user is created to avoid duplication e.g. identification document (ID) or employee number/names;
- Recognise predetermined structures as per specified function or allocated role;
- Recognise unique passwords for a predetermined period, and accommodate complex passwords such as numeric, alpha-numeric, and case sensitivities; as well as multi-factor authentication.
- Electronic banking systems that can integrate daily with SAGE 300 (ACCPAC), SAP, and other operating systems;
- Provide percentage uptime assurance, network infrastructure, back up capacity, and risk mitigation.

4.2 Future Developments

Banking and financial systems processes and procedures will evolve, develop, and change during the term of the contract. Bidders must indicate their ability and willingness to participate in these developments and implementation.

4.3 Payments Management

The Bidder should be able to:

Facilitate secure and timely funds movement; meet DMSA's EFT requirements for all salaries, creditors, and other payments through the following:

- Timely and secure processing of all transactions;
- Ability to interface (where required) with on-line business applications currently being used e.g. BASPC-based leased line or dial up access;
- Host connections via a dedicated line;
- Stringent authorisation and security controls;
- Efficient management and reduction of risk processes;
- Enhanced data integrity and stringent validation controls;
- Cost efficient processes;
- Detection of possible duplicate transactions;
- Efficient user account management;
- Reporting capability;
- Provide access to the system during the banking hours;
- Safeguarding of DMSA's cash resources against fraudulent activities and facilitation of recovery in the event of such activities.

4.4 Transactions and Balances

- To provide on-line real-time account balances and transaction enquiries;
- To provide real-time transaction search capabilities; and
- To provide transaction history (list of transactions) storage and retrieval for up to 180 calendar days, with reporting capability i.e. trend analysis.

5 ELECTRONIC FUND TRANSFERS

- Payments to beneficiaries to be affected in real-time;
- Payments to beneficiaries at other banks to be affected on a same day value basis if effected by 16h00 on weekdays and weekend transactions to take place with special instructions and requests;
- A nominated account facility to ensure that payments are only made to beneficiaries that have been specifically loaded on a payments database, which is held on the system, and an ability to detect duplicate suppliers;

- Ability to send remittance advices, or advice of payment via e-mail;
- Referencing for all transactions to simplify bank reconciliations; and
- Data import capabilities.

6 POINT OF SALE MACHINE

- Provide point of sale machine (speed point) linked to current account for the various DMSA sites (8 sites);
- Provide additional point of sale machines during events;
- Repairs and maintenance of point-of-sale machines.

7 STATEMENTS AND RECONCILIATION MANAGEMENT

The bidder should provide systems interfaces to facilitate automatic downloading of electronic bank statements for subsequent importing onto DMSA's online business systems and specify costs thereof. Furthermore, provide host to host facilities for high volume processing of large transaction volumes electronically.

8 CASH MANAGEMENT

8.1 Interest Calculation, Distribution and Applicable Rates

- Provide, open, and /or create a designated interest account.

- DMSA should have the ability to stipulate the interest payment date, which could be any prescribed calendar date, and may vary from month to month.

8.2 Movement of funds in the same cash management pool

The ability to transfer in real time with built-in security controls and to prevent unauthorised movement of funds. The system should generate an audit trail report, record all additions, amendments, authorisations of transfers, user details, date and time of each transaction.

8.3 Cash Management Reporting

Facilitate administrative and accounting functions and provide electronic and hardcopy reports. The reports should include the daily net cash position (both interim and final balances), the daily and monthly aggregate interest, individual account transaction history, audit trails, and distribution of interest reports.

9. FOREIGN EXCHANGE SERVICES

Daily foreign exchange information to be made available online or electronically to designated DMSA officials. The bidder should provide a dedicated foreign exchange consultant to handle and process DMSA foreign exchange (FE) transactions timely, especially when dealing with transactions that would require South African Reserve Bank (SARB) BOP category codes and approval.

10. IMPLEMENTATION AND TRAINING

Dedicated relationship management team;

- All-inclusive seamless installation of all solutions;
- Transactional Banking Solutions;
- Electronic Banking Solutions; and
- Employee Personal Preference Package solutions i.e. Workplace Banking.

A dedicated specialist Electronic Banking Manager should attend to the following:

- Correct set up and optimisation of the Cash Management or Banking System;
- Identify all additional systems interface requirements for electronic statements and electronic fund transfers;
- Identify Cash Management, Payments Management, and Internet Banking access requirements at DMSA, including the institutional and remote requirements;
- Liaise with appropriate DMSA officials regarding interfaces, business applications, and text files that can be imported into other applications;
- Specifically focus on opportunities for conversion of cash deposits to EFTs;
- Identify, in consultation with DMSA, all access levels, authorities, profiles, and limits for staff requiring access to the electronic banking systems;
- Attend to the legal documentation and the signing thereof;
- Formalise service level agreements for all services provided with specific deliverable timelines and milestones;
- Identify training requirements, needs, and provide relevant interventions in consultation with DMSA, including user manuals.

An acceptable Service Level Agreement (SLA) between DMSA and the successful bidder **must** be in place and signed before commencement of any services. The SLA will outline the expected service levels from the successful bidder, and the monitoring performance tools during the contract period, including customer satisfaction surveys. The SLA will also outline penalties for concomitant triggers.
It is expected that the successful bidder will suggest reasonable take over timelines for and implementation as part of this bid.

11. RENTAL AGREEMENTS

The bidder should be able to offer various customised asset-based financial solutions for the growing capital and operational equipment needs of DMSA.

12. BANKING FACILITIES FOR DMSA STAFF

The bidder should also be able to demonstrate what schemes and benefits they will provide for DMSA staff.

13. COMPLIANCE

13.1 The bidder is required to provide evidence of compliance with the following legislative framework:

a) Financial Services Charter (Industry Charter);
b) Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001) (FICA);
c) BBB-EE certificate / Sworn affidavit
d) Bank Supervision Department of the South African Reserve Bank.
e) Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)
f) Protection of Personal Information Act, 2013 (Act No. 4 of 2013) (POPIA)

13.2 Financial Services Charter (Industry Charter)

The bidder must demonstrate their commitment to the implementation of the objectives of the Financial Sector Charter and must provide documentary proof of its compliance.

13.3 Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001) (FICA)

Given the significance of this Act; the bidder must demonstrate their compliance with the requirements of the FICA and provide details of their strategies and preventative measures taken to mitigate the risks outlined in the FICA.

13.4 Bank Supervision (South African Reserve Bank)

The bidder must indicate their compliance with the requirements of banking regulations as stipulated in the Banks Act and enforced by the Registrar of Banks, progress made in implementing the New Basel Capital Accord (Basel II) prescripts, and how they will transfer this technology to the risk management plans of DMSA.

13.5 Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)

The bidder must demonstrate their compliance with requirements of the PFMA.

14. ADVANCEMENT OF SMME, HDI AND PDI

In addition, the bidder is required to provide the following information

- Financing opportunities available to DMSA employees
- Accessibility to housing bonds by DMSA employees and conditions attached to such bonds;
- Skills transfer programmes for the duration of the contract; and
- Social investment aimed at economic empowerment drivers within DMSA

15. ADDITIONAL INFORMATION TO BE SUPPLIED

The bidder should supply the following information, in addition to the information required in response to the specifications outlined in section 2.4.

a) Latest Audited Financial Statements;
b) Most recent published credit rating from an independent credit rating agency;
c) Details of the branch which will be designated as the home branch of DMSA's main bank account, including the following:

- Name and physical location;
- Management structure, names and positions;
- Staffing numbers and structure;
- After-hours access to branch;
- ATM availability;
- Forex supply and availability

d) IT Systems back up facilities;
e) Client training programmes and facilities;
f) Details of relationship banking structure, location of the relationship management team, Structure, experience, management, and escalation; and
g) Details of banking experience to all spheres of government;

16. PRICE SCHEDULE OF SERVICES

Bidders are requested to quote firm prices effective 1 February 2027. The pricing must be VAT inclusive, be fixed for year one, and thereafter escalate annually at the CPI index as published by Statistics South Africa. The period, for which these prices shall be effective, together with the dates of future annual reviews and their notice periods shall be shown.

Any costs applicable to implementation on new banking systems and procedures, including the cost of training DMSA staff, computer software, and hardware should be shown separately from transaction costs.

17. SCHEDULE OF PRICE QUANTITIES OF SERVICES TO BE RENDERED

The following pricing schedule is set out for each part of the services. Bidders should note that this list is not exhaustive and therefore omitted services can be added when completing this tender.

Services	Price in Rand
Current account services - A per statement item fee (per credit entry) - A cash deposit fee - Fleet management fees - Bank confirmation letter fees - Letter of authority for encashment of salaries/wages - Encashment fee - Mobile ATM services - Cash in transit services	
Copies of deposit slips / statements - Search fee – for queries less than 3 months - Search fee – for queries older than 3 months	
Magtape queries	
Instruction by letter/email to make manual payment transfer	
Queries and/or retrieval on archived payment history	

Cash Management Services & related charges applicable.	

Interest Rates.	
Cash Management Debits	
Cash Management Credits	

Account Reconciliation Service & related charges.	

Electronic Banking Services & related charges local & international.	

Point of Sale Machines and related services (speedpoint services)	

Corporate Credit Card , Petty cash cards and related charges	

Automated Clearing Bureau Charges.	

Guarantees.	
- Performance guarantees - Property guarantees	

Discounting Rental Agreements – rates to be prime-linked.	

18. RULES OF BIDDING

The bidder must be a single legal entity with all the necessary expertise. DMSA will enter into a single contract with a single bank for the delivery of work set out in these terms of reference.

The bidder should be tax compliant during the bidding process and at the appointment stage.

DMSA is not bound to accept any of the bids submitted and reserves the right to call for best and final offers from shortlisted bidders before final selection.

DMSA reserves the right to negotiate price with the preferred bidder.

Service providers may ask for clarification on these terms of reference or any of its annexures up to close of business one (1) week, before deadline for the submission of bids. Copies of questions and answers may be emailed to all service providers that are registered at the briefing session, without revealing the identity of the source of questions.

Bidders should note that late bids will not be accepted.

Bidders may not contact DMSA on any matter pertaining to their bid from the time when bids are submitted to the time the banking contract is awarded. Any effort by a bidder to influence the bid evaluation, bid comparison, or bid award decisions in any manner may result in a rejection of the bid concerned.

19. BID REQUIREMENTS

GENERAL REQUIREMENTS

The following is required of bidders and should be submitted to the DMSA as part of the bid submission: Failure to submit the below documents will disqualify the bid.

19.1 Company profile.

19.2 All Bidders must be registered on the National Treasury Central Supplier Database (CSD) and must attach a copy of the most recent report to the tender document.

19.3 The tax status on CSD must be compliant, as DMSA is unable to award a contract to a company whose tax affairs are not in order as determined by SARS. Bidders whose tax matters have expired, or compliance status is invalid will be disqualified. **Note that it is no longer a requirement for bidders to submit hard copies of tax clearance certificates as compliance to tax matters can be assessed and verified on the CSD report.**

19.4 Original Company Resolution or Letter of authority or Letter of appointment authorizing the signatory of the Entity to sign the contract with DMSA.

19.5 Valid contact details including e-mail address.

19.6 Copies of identity documents (ID) of all Directors certified within the last three (3) months

19.7 At least three reference letters must be provided, as well as an indication of experience with similar projects.

19.8. Companies, who are registered for VAT, should include VAT on their costing.

19.9 Any other details that may be relevant in respect of the tender evaluation criteria described above:

20. TECHNICAL REQUIREMENTS

A detailed proposal including:

(a) Project plan;

(b) Project implementation plan;

(c) Capacity and experience;

(d) Number and level/ranks of team member/s to be involved in the assignment;

(e) CVs of all involved (including but not limited to qualifications and experience and level of expertise/current designation; relevant professional membership); and

(f) A business plan or proposal will be required indicating demonstrated experience as per evaluation criteria.

21. EVALUATION STAGES

21.1. The bid evaluation process consists of several stages that are applicable as defined in the table below:

Stage	Description	Applicable for this bid
Stage 1	Initial screening process to check compliance with bid requirements (administrative compliance).	Yes
Stage 2	Functionality requirement evaluation.	Yes
Stage 3	Price and Specific Goals evaluation.	Yes

21.1.1 Stage 1:
Verification of service provider(s) compliance with bid requirements and initial screening process (administrative compliance).

21.1.2 Stage 2:
Technical proposal will be evaluated out of 100 points with a threshold of 70 points. Bidders that score less than minimum of 70 points will be disqualified. Bidders must score a minimum of 70 or more points to qualify for further evaluation on price and preference points.

21.1.3 Stage 3:
Bids will then be evaluated in accordance with the prescripts of the Preferential Procurement Policy Framework Act (PPPFA) and the associated **Preferential Procurement Regulations of 2022**, which stipulate an 80/20 preference point system is applicable up to a rand value of R50 million (all applicable taxes included).

- The following criteria will be used in particular as the criteria for appointment, apart from those laid down in the **Preferential Procurement Regulations, 2022**, pertaining to the Preferential Procurement Policy Framework Act 5 of 2000.
- The points for this bid are allocated as follows:

No	Components	Points
1.	Price	80
2.	Preferential points: Specific goals	20
	Total	**100**

22. EVALUATION PROCESS

22.1. The 80/20 preference point system in terms of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) shall apply. The lowest acceptable bid will score 80 points for price and the remaining 20 points for Specific goals status depending on level of contribution.

22. 2. Prospective bidders will have to score at least **70** out of **100** points allocated for functionality before the company's proposal will be considered for pricing.

23 EVALUATION CRITERIA

- All bids duly lodged will be evaluated by a bid evaluation committee (BEC) first on functionality then price. The evaluation criteria is shown below:
- For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to each of the evaluation criteria mentioned below.

24 FUNCTIONALITY POINTS BREAKDOWN

Key Elements	**Points Allocated**
Phase 1 - Technical / Functional Requirements	
Functionality Criteria 1 – Transactional and Electronic banking services provided	40
Functionality Criteria 2 - Dedicated Relationship Management team and escalation levels	20
Functionality Criteria 3 - Positive reference letters	10
Total Paper-based evaluation points	**70**
Minimum threshold for phase 1	**55**
Phase 2 – Presentation	
Presentation	30
Total points	**100**
Minimum threshold	**70**

Phase 1: Technical / Functional Requirements

Functionality Criteria 1 – Transactional and Electronic Banking Services (40 Points)

Sub-Criteria	Description	Score
Transactional and electronic banking services provided	The bidder must be able to show the ability to provide the following services detailed under section 3.1 and section 4. • Account categories **(6 points**): - Two accounts, current account and infrastructure account **(3 points)** - 12 Sub accounts **(3 points)** • Beneficiary bank account verification services **(3 points)** • Petty cash solution **(2 points)** • Statements **(3 points)** • Data imaging **(2 points)** • Deposit identifier **(2 points)** • Charges and fees **(2 points)** • Fleet management services **(4 points)** • Electronic banking system and services **(8 points)** • Payment Management **(5 points)** • Transaction and Balances **(3 points)**	**40 Points**

Functionality Criteria 2 – Dedicated Relationship Management Team and Escalation Levels (20 points)

Sub-Criteria	Description	Score
Dedicated Relationship Management Team and Escalation Levels	**Capacity to deliver on all requirements as per terms of reference** **All bidders must have the relevant knowledge, resources and capacity to deliver the services required.** The following must be submitted to substantiate the above: • Dedicated customer relationship management team **(2 points)** • The team leader must have a minimum of 5 years' experience in banking industry **(2 points)** • The individual team members must have a minimum of 3 years' experience in the banking industry **(2 points)** • Evidence of qualifications of individual team members, number of skilled people to provide the service and expertise (CVs, list of people and expertise). **(2 points)** • Project Management Plan outlining and describing planning, execution, timelines and milestones and realistic budget for the brief over the set period. **(12 points)** - Risk Management Plan. **(2 points**) - Project implementation plan and scoping of work. **(2 points**) - System setup. **(2 points**) - Implementation within agreed time frames. (**2 points)** - Training of end users. **(2 points)** - Handover and system maintenance. **(2 points)**	**20 Points**

Functionality Criteria 3 – Positive Reference Letters (10 points)

Sub-Criteria	Description	Score
Positive reference letters	The bidder must submit a minimum of four (4) reference letters or completion certificates from previous / present clients where banking services were / are rendered. All letters must be on a letterhead and signed by the client. The client must be contactable and the contact details provided must include: • Contact person; • Designation; • Company name; email address; and • Landline or mobile number. Scoring criteria: No letter submitted – **0 points** 1 Letter attached with all details above – **03 points** 2 Letters attached with all details above – **05 points** 3 Letters attached with all details above – **08 points** 4 Letters attached with all details above – **10 points**	**10 Points**

The bidders who score **55** out of **70** points will be shortlisted for phase 2, to make a presentation at the entity's premises

Phase 2 – Presentation

Sub-Criteria	Description	Score
Presentation	**Presentation** • Demonstrate the ability to work within deadlines. - **(2 points)** • Demonstrate how fraud is detected and treated - **(2 points)** • Provide innovative cashless solutions of dealing with petty cash and how they are linked to the 12 sub accounts - **(2 points)** • Demonstrate how bank accounts details of suppliers and employees are verified and the turnaround time - **(2 points)** • Demonstrate the ability to avoid duplicate payments (e.g. payment and transaction limits) – **(2 points)** • Demonstrate the ability to retrieve archived payments and statements – **(2 points)** • Demonstrate how bank accounts statements are delivered or retrieved including sub accounts - **(2 points)** • Demonstrate how bank charges are displayed and reconciled on the bank statements - **(2 points)** • Demonstrate the ability to identify third party deposits credited to DMSA's accounts - **(2 points)** • Demonstrate the processing and authorisation of transactions by all users - **(2 points)** • Demonstrate the ability for the entity to add, amend and delete users and access rights – **(2 points)** • Demonstrate ability to import payment batch file and bank file - **(2 points)** • Demonstrate the ability to integrate with ERP - SAGE300 and others - **(2 points)** • Demonstrate your fleet management solutions (e.g. Fleet cards and limits, online system and authorization) – **(4 points)**	**30 Points**
	Overall Total Score (Phase 1: Technical / Functional Requirements + Phase 2: Presentation)	**100**

25. **CONFIDENTIALITY**

25.1 No information or documentation may be used for any other purpose other than providing for a tender proposal to DMSA, and no copies of any document may be made, except with prior written approval from DMSA.

25.2 The successful bidders and staff will be required to sign a non-disclosure agreement.

26. **INTELLECTUAL PROPERTY AND OWNERSHIP**

26.1 Ownership and copyright of all documentation developed during the period of the contract will be vested in DMSA.

26.2 All intellectual property rights relating to any work produced by the service provider in relation to the performance of this contract shall belong to DMSA and may not be used for any other purpose by the service provider. The service provider shall give DMSA all assistance in protecting such intellectual property rights. All material, in paper, electronic or any recorded format produced by the service provider in the performance of this contract shall remain the property of the DMSA and must be handed over to DMSA on termination of the contract.

26.3 All service providers undertake not to infringe the intellectual property of third parties. Should any action or claim be instituted against DMSA emanating from an infringement of intellectual property or an alleged infringement of intellectual property, the service providers hereby indemnify DMSA against such claims or actions as well as all costs (including legal costs on an attorney and client scale).

27. **CONTRACTUAL ARRANGEMENT**

27.1 The service provider is required to enter into a Service Level Agreement with DMSA to perform all functions as set out in the project Specification or Terms of Reference and National Treasury General Conditions of Contract of 2010.

28. **FINANCIAL IMPLICATIONS**

28.1 All bidders must provide a cost breakdown that should be part of a Business Plan as per Task Directive above.

28.2 No service will be provided to DMSA before an official order has been issued to the supplier or service provider.

28.3 The service provider should be aware that DMSA only pays after the services have been rendered, as per the costed project plan.

28.4 Payments will be done within 30 days of receipt of an invoice with all required supporting documents as per the Service Level Agreement; and

28.5 Payments will be made by DMSA after the service provider has submitted an invoice supported by all requisite documents

29. **CLIENT BASE**

29.1 DMSA reserves the right to contact references during the evaluation and adjudication process to obtain information.

30. **COMMUNICATION**

30.1 DMSA may communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period.

31. **PRESENTATION**

31.1 DMSA shall request presentations and /or interviews from short-listed bidders as part of the bid process.

32. **SUPPLIER DUE DILIGENCE**

32.1 DMSA reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. **Bidders must note that DMSA will conduct verification on the information submitted and any misrepresentation will result in an automatic disqualification.**

33. **CONFLICT OF INTEREST**

33.1 The bidder or bidders' group must submit a document (you may include it in your cover letter), stating whether any of its employees have any interest in DMSA or whether any of DMSA's personnel have any interest in the bidders or affiliated business.

34. **PACKAGING OF BID**

34.1 Bidders to arrange the Standard Bidding Documents (SBDs) submission in a numerical order (Two-envelope system).
34.2 Bidders are requested to separate technical bids from the financial bids (Two-envelope system).
34.3 Failure to adhere to the above i.e. 34.1 & 34.2 shall invalidate/ disqualify a bid.
34.4 Memory stick (Flash Drive) must contain a soft copy of a proposal (Envelope 1 & 2), Failure to submit the memory stick shall disqualify a bid.

3.6 **SUBMISSION OF BID DOCUMENTS**

36.1 Bidders are advised to ensure that bids are submitted allowing sufficient time for any unforeseen events that may delay the delivery of the bid.

36.2 All bidders are required to complete a bid register fully, when submitting bid documents. The Bid register is available at the below-mentioned address.

36.3 Bidders should deposit their documents into the tender box available on the Ground Floor reception area by **11H00,** and service providers **must submit an original plus one electronic copy (on Memory Stick/ USB)** in PDF format all bound in a sealed envelope to the address below:

- **DITSONG: Museums of South Africa, Head Office GaMohle Building, 70 WF Nkomo Street, Pretoria.**

37. **COST OF BIDDING**

37.1 The bidder shall bear all costs associated with the preparation and submission of its bid and DMSA will not be held responsible or liable for these costs, regardless of the conduct or outcome of the tender process. The bidder will not be entitled to claim for travel and

subsistence expenses. If such expenses are applicable, these charges must be included in the bid price.

38. **PRICE OR FEES NEGOTIATION**

38.1 DMSA may negotiate the price or fees with the successful bidder.

39. **LATE BIDS**

39.1 Bids are received at the address indicated above. Bids received after the closing date and time will not be accepted for consideration and will be returned unopened to the bidder. Bid documents should be submitted before 11:00 on the closing date of the tender.

40 **BID AND TECHNICAL ENQUIRIES / CLARIFICATION OF TENDER DOCUMENTS**

40.1 DMSA will respond in email to any request for clarification of the tender documents which it receives **no later than one (1) week prior to the deadline for submission of bids prescribed by DMSA.** All enquiries related to the technical content of the Terms of Reference as well as the bid enquires may be directed **in writing** to the officials listed below:

For Bid Enquiries
Mr Ntsako Thwala
Tel: (012) 492 5744
Email: tender@ditsong.org.za
For Technical Enquiries:
Ms Tshepiso Diphoko
Tel: (012) 492 5744
Email: tender@ditsong.org.za

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)						
BID NUMBER:	**DMSA 04-2026/27**	CLOSING DATE:	**14 December 2026**	CLOSING TIME:	**11:00**	
DESCRIPTION	**APPOINTMENT OF A SERVICE PROVIDER TO RENDER PROVISION OF BANKING SERVICES TO DITSONG MUSEUMS OF SOUTH AFRICA (DMSA) FOR A PERIOD OF FIVE (5) YEARS.**					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*						
DITSONG: Museums of South Africa, Head Office						
Ground Floor reception area						
70 WF Nkomo Street						
Pretoria.						

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Mr Ntsako Thwala**	CONTACT PERSON	**Ms Tshepiso Diphoko**
TELEPHONE NUMBER	**012) 429 492 5744**	TELEPHONE NUMBER	**012) 429 492 5744**
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	**Tender@ditsong.org.za**	E-MAIL ADDRESS	**Tender@ditsong.org.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: ……

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.

6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: **ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder……	Bid number…….....
Closing Time 11:00	Closing date……...

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)

- Required by: ……..
- At: ……..

  ……
- Brand and model ……..
- Country of origin ……..
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s) ……..
- Period required for delivery ……..

  *Delivery: Firm/not firm
- Delivery basis ……

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

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

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder……Bid number……

Closing Time 11:00 …… Closing date……..

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

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

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

*Delete if not applicable

SBD 3.2

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

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

Where:

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

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

Index……. Dated……. Index……. Dated……. Index……. Dated…….

Index……. Dated……. Index……. Dated……. Index……. Dated…….

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

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

SBD 3.2

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

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

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

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

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

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: ……BID NO.: ……

CLOSING TIME 11:00 CLOSING DATE……...

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

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

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R……..……...

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

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
----------	R----------	----------
----------	R----------	----------
----------	R----------	----------
----------	R----------	----------
----------	R----------	----------

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

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

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

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

TOTAL: R……

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

Bid No.: ……

Name of Bidder: ……

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

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

TOTAL: R……

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

7. Estimated man-days for completion of project ……

8. Are the rates quoted firm for the full period of contract? *YES/NO

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

……

……

……

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state[1], 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[2]): ……..

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.

[1]"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.

[2]"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:

……
……
……

2.8 Did 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:
……..
……..
……...

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

2.9.1 If 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

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

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

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

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1. GENERAL CONDITIONS

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

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

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

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

a) The applicable preference point system for this tender is the 90/10 preference point system.

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

c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

(a) Price; and

(b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	**100**

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

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

2. DEFINITIONS

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

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

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

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

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. **POINTS AWARDED FOR PRICE**

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

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

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

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

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprises with ownership of 51% or more by person/s who are black	**3**	**5**		
Enterprises with ownership of 51% or more by person/s who are women	**2**	**5**		
Enterprises with ownership of 51% or more by person/s who are youth	**2**	**4**		
Enterprise with ownership of 51% or more by person/s with disability	**1**	**2**		
Enterprises with ownership of less than 51% by person/s who are black or less than 51% by person/s who are women or less than 51% by person/s who are youth or less than 51% by person/s with disability	**0**	**0**		
Enterprises with ownership **Exempt Micro Enterprise**	**1**	**2**		
Enterprises with ownership **Qualifying Small Enterprise (QSE)**	**1**	**2**		
Total	**10**	**20**		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm…….

4.4. Company registration number: ……...

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

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

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

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

(a) disqualify the person from the tendering process;

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

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

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

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

……

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ……

DATE: ……

ADDRESS: ……

……

……

……

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;
   - Proof of tax compliance status;
   - Pricing schedule(s);
   - Filled in task directive/proposal;
   - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
   - Bidder's Disclosure form;
   - 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 …….

WITNESSES

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**	**TOTAL PREFERENCE POINTS CLAIMED**	**POINTS CLAIMED FOR EACH SPECIFIC GOAL**

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

SIGNED AT ……ON……..

NAME (PRINT) …….

SIGNATURE ……

OFFICIAL STAMP

WITNESSES

1 ….…….

2 …..…….

DATE: ……..

THE NATIONAL TREASURY

Republic of South Africa



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

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.