

GREATER KOKSTAD MUNICIPALITY



TENDER DOCUMENT

TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES

BID No- GKM 15-26/27

CLOSING DATE: 23 OCTOBER 2026

COMPULSORY BRIEFING: 02 OCTOBER 2026

CLOSING TIME: 12H00

NAME OF BIDDER:

POSTAL ADDRESS:

.....

.....

TELEPHONE NUMBER:

FAX NUMBER:

E- MAIL ADDRESS:

TENDER SUM (ALL INCLUSIVE):.....

TENDER REQUIREMENTS AND MANDATORY RETURNABLE DOCUMENTS

TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES

BID NUMBER: GKM 15-26/27

Bidders must attach the following mandatory returnable documents to be considered for this bid and must note the applicable conditions:

- Price (s) or rates quoted must be firm and must be inclusive of VAT
- Copy of CSD (Central Supplier Database) report (not older than 3 months), if not attached the CSD Number on MBD 1 will be used for verification.
- Bidders must submit proof that the company and the director/s of the company do not owe rates and taxes or Municipal service charges for a period longer than 90 days. **Bidders must refer to section J for the required document.**
- Printed copy of SARS Tax Pin for further verification, **if not attached the CSD printout will be used to verify the tax compliance status. Bidders will not be eliminated for not attaching copy of the SARS tax compliance certificate.**
- Completed and signed MBD 1, 4, 8 and 9 forms, if not completed and signed the bidder will be eliminated.
- Completed and signed Municipal Bidding Documents, if MBD 6.1 is not signed, bidders will lose the points and will not be disqualified.
- Proof of registration with IATA (International Air Transport Association)
- **NB: failure to meet above criteria will lead to disqualification.**

The following conditions will apply:

- The validity period Price(s) quoted must be valid for at least Ninety (90) days from date of your offer.
- Price(s) or rates quoted must be firm and must be inclusive of vat
- All the required documents must be attached

NB: No quotations will be considered from persons in the service of the state or persons who owe rates, services, and taxes to any Municipality for a period longer than 90 days.

ADVERT

ADVERTISEMENT

TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES

BID NO: GKM 15-26/27

The Greater Kokstad Municipality seeks to appoint an experienced bidder for the Proposals for travel and accommodation arrangement services.

The scope of work and bid requirements is stipulated in the bid document.

This advert is issued in compliance with the Preferential Procurement Regulation, 2022. Evaluation will be done on the following two-stage process in terms of National Treasury Circular No: 53:

Stage 1:

Assessment of Functionality. Only service providers who achieve a minimum threshold of **60 points** on functionality will qualify to proceed to stage two of the Evaluation process. Functionality criteria is as follows:

Company Experience	(40 Points)
Key Personnel CV's	(20 Points)
Methodology (presentation)	(20 Points)
Registration with ASATA	(20 Points)

Stage 2:

Evaluation will be done based on the 80/20 preferential point system, where 80 points will be allocated for price and 20 points for specific goals. Bidders must submit the required documentation to claim preference points.

POINTS AWARDED SPECIFIC GOALS

The 80/20 preferential point system will be applied, where 80 points will be allocated for price and 20 points for Municipality's specific goals that is on ownership and RDP goals.

GOALS 1 – OWNERSHIP	MAX POINTS =10	Documents required for verification
Business owned more than 50% by black person	5	- ID copy of director/Owner - Detailed CSD
Business owned more than 50% by women black	5	- ID copy of director/Owner - Detailed CSD
GOAL 2 -RDP	MAX POINTS 10	
Business Located within the jurisdiction of the Greater Kokstad Municipality	10	Proof of address for the business
Business Located within the jurisdiction of the KwaZulu Natal Province	5	Proof of address for the business

The tender document **must** be downloaded on the **Greater Kokstad Municipality website** www.kokstad.gov.za at no cost. **The Greater Kokstad Municipality will not be held responsible for any incomplete documents downloaded on the Greater Kokstad Municipality website.**

A Compulsory briefing and clarification session will be held at the Greater Kokstad Municipality at no 75 Hope Street, Kokstad, on the **02 October 2026 at 11h00** to clarify to bidder(s) the scope and extent of work to be executed.

Sealed tenders marked **Bid No.: GKM 15-26/27 “TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES”** must be deposited in the **BOX** located at the Reception Area, 75 Hope Street, Kokstad, not later than **23 October 2026 at 12H00**, where after, bids will be opened in public.

Late, telegraphic, e-mailed, or faxed bids will not be considered.

Tenderers that submit tenders by courier retain the responsibility of ensuring that tender documents submitted are placed in the tender box. This is not the responsibility of the Municipality. Tenders are submitted to the General Conditions of Contract and the SCM Policy of Greater Kokstad Municipality.

Supply Chain Management enquiries and Technical Enquiries: Ms. A. Mahlaka Tel. 039 797 6743, or email: Andiswa.Mahlaka@kokstad.gov.za

Greater Kokstad Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the Bid in whole or part, at the rates quoted.

MR S R ZWANE
MUNICIPAL MANAGER
NOTICE NO.: 31-2026/2027

SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

PLEASE NOTE THAT THIS BID IS SUBJECT TO THE NATIONAL TREASURY SUPPLY CHAIN MANAGEMENT REGULATIONS ISSUED IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT 56, 2003, THE GREATER KOKSTAD MUNICIPALITY SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the bid forms be retyped or redrafted.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
6. Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, the Municipality will not be held responsible for late bids.
7. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids.
8. A specific box is provided for the receipt of bids, via courier services should be inserted by the courier company on the tender box a special instruction must be given to the courier company, the Municipality will not be responsible for documents received late, lost or misplaced tender documents.
9. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
10. No bid submitted by telefax, telegraphic or other electronic means will be considered.
11. Any alteration made by the bidder must be initialled.
12. Use of correcting fluid is prohibited
13. Bids will be opened in public as soon as practicable after the closing time of bid.
14. Where practical, prices are made public at the time of opening bids.
15. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.

CHECKLIST

The Checklist below is attached hereto to assist Service Providers with the completion of the tender document. Service Providers are required to **TICK** the relevant boxes for verification purposes. Where information is not applicable to the tender, the symbols **N/A** must be inserted in the space provided.

The tenderer must complete and return documents, all returnable document as listed below as part of his/her tender submission:

Returnable Schedules (Documents) for Tender Evaluation Purposes	Yes	No	N/A
Has the Tender Document been completed in BLACK INK and all corrections counter-signed? (No correction fluid used)			
Have all tendered amounts been arithmetically checked, and the correct total bid price been carried forward to MBD 1? Bidders who do not put prices on MBD 1 will be eliminated.			
Is a valid Tax Clearance Status Verification Certificate with pin attached to the Tender Document?			
In case of a joint venture, has the tenderer attached a joint venture agreement signed by both parties indicating the lead partner of the joint venture (company documents to be attached for all JV Partners i.e CSD, Tax Verification certificate, etc)			
Has the compulsory "Site Inspection/Tender Briefing" meeting been attended and has the tenderer signed the register (when applicable)			
Has the tenderer fully completed the Declaration of Interest (MBD 4) form, (Directors must be listed on the table on MBD 4 form and other business interest must be declared)			
Has the "Preference Points Claim Form (MBD 6.1) in terms of the Preferential Procurement Regulations 2022" been completed in its entirety and signed?			
Has the tenderer attached proof that the DIRECTOR/S of the company do not owe Municipal rates (Refer section J for the required documentation).			
Has the tenderer attached proof that the COMPANY does not owe Municipal rates (Refer section J for the required documentation).			
Central Supplier's Database registration certificate - Detailed CSD			
Has the "Declaration of Bidder's Past SCM practices (MBD 8)" been completed in its entirety and signed?			
Has the "Independent Bid Determination (MBD 9)" been completed in its entirety and signed.			
Has all information as required in terms of the Tender Document been submitted with the tender?			
Proof of registration with IATA			

Name of the Bidder: _____

Signature: _____ Date: _____

REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the Greater Kokstad Municipality Supply Chain Management Policy Framework, all suppliers of goods and services are required to register on the Central Suppliers Database.
2. If you wish to apply for Central Supplier Database (CSD) registration, suppliers may go to www.csd.gov.za to register or call KZN Provincial Treasury on 033 897 4223/4676/4509 for assistance.
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Municipality may, without prejudice to any other legal rights or remedies it may;
 - 3.1 Recommend to National/Provincial Treasury the de-registration of the supplier from the Central Supplier Database
 - 3.2 Cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable bid is accepted, or less favourable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to update its information on the Central Suppliers Database, relating to changed particulars or circumstances.**

**DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE (CSD) IS
CORRECT AND UP TO DATE**

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of the authorised representative)

.....

WHO REPRESENTS (state name of bidder)

.....

I AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER DATABASE WITH
RESPECT TO THE BIDDER'S DETAILS AND REGISTRATION INFORMATION, AND
THAT THE SAID INFORMATION IS CORRECT AND UP TO DATE AS ON THE DATE
OF SUBMITTING THIS BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A
CAUSE FOR DISQUALIFICATION OF THIS BID FROM THE BIDDING PROCESS,
AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY BE AWARDED
ON THE BASIS OF THIS BID.

.....

SIGNATURE OF THE AUTHORISED REPRESENTATIVE

DATE.....

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of a 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 ensure compliance with their tax obligations.
2. Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.
3. Application for the tax compliance status (TCS) certificate or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.
4. Foreign suppliers must complete the pre-award questionnaire in part b:3.
5. Bidders may also submit a printed TCS certificate together with the bid.
6. In bids where consortia / joint ventures / sub-contractors are involved; each party must submit a separate TCS Certificate / Pin / CSD number.
7. Where no TCS is available but the bidder is registered on the central supplier database (CSD), a CSD registration printout must be provided.

AUTHORITY FOR SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer **must attach the authority to sign letter or must complete** the certificate set out below for the relevant category **if the resolution letter is not attached.**

A Company	B Partnership	C Joint Venture	D Sole Proprietor	E Close Corporation

A. CERTIFICATE FOR COMPANY

I,....., chairperson of the board of.....
hereby confirm that by resolution of the board (copy attached) taken on.....
20....., Mr./Ms.acting in the capacity of.....,
was authorize to sign all documents in connection with this tender and any contract resulting from it on
behalf of the company.

As witnesses:

1. Chairman:.....
2. Date:

B. CERTIFICATE FOR PARTNERSHIP

We, the undersigned, being the key partners in the business trading as
....., hereby authorize Mr/Ms
acting in the capacity of , to sign all documents in connection with this
tender and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

C. CERTIFICATE FOR JOINT VENTURE

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize Mr/Ms.....of the lead partner, authorize signatory of the company, to sign all documents in connection with this tender for Contract and any contract resulting from it on our behalf. This authorize on is evidenced by the attached power of attorney signed by legally authorize signatories of all the partners to the Joint Venture (Joint Venture to submit power of attorney).

Name of Firm	Address	Authorising Name and Capacity	Authorising Signature
Lead Partner:			

D. CERTIFICATE FOR SOLE PROPRIETOR

I,....., hereby confirm that I am the sole owner of the business trading as

As witnesses:

1. Sole Owner:
2. Date:

E. CERTIFICATE FOR CLOSE CORPORATION

We, the undersigned, being the key members in the business trading as

hereby authorize Mr./Ms. acting in the capacity of , to sign all documents in connection with this tender and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

TENDER CONSENT FORM:

I _____ a natural person with
Full Name

ID No.: _____ in my capacity as _____

of _____
(Company Name and Reg. No.)

I hereby give my consent to the Greater Kokstad Municipality to collect, process and distribute my personal information where the Greater Kokstad Municipality is legally required to do so.

I understand my right to privacy and the right to have my personal information processed in accordance with the conditions for the lawful processing of personal information.

I understand the purposes for which my personal information is required and for which it will be used and consent to third parties accessing my personal information and to the Greater Kokstad Municipality sharing my personal information strictly for **evaluation, verification, and the consideration and resolution of any objections or related proceedings, where applicable and in accordance with applicable legislation.**

I understand that, should I refuse to provide the Greater Kokstad Municipality with the required consent and/ or information, the Greater Kokstad Municipality will be unable to consider my application for the

above-mentioned tender.

I declare that all my personal information supplied to the Greater Kokstad Municipality is accurate, up to date, not misleading and that it is complete in all respects and will be held and/ or stored securely for the purpose for which it was collected and that I will immediately advise the Greater Kokstad Municipality of any changes to my Personal Information should any of these details change.

Tick the appropriate box:

	I / We hereby consent to the above
	I/We hereby withhold consent and understand the implication of my/our decision and will not hold the Greater Kokstad Municipality responsible for not considering my/our bid.

Signed at this day of20.....

..... Signature of data subject/ designated person

RATES AND MUNICIPAL SERVICES CLEARANCE CERTIFICATE (PROOF OF LOCALITY)

In terms of section 38(d) of the National Treasury Municipal Supply Chain Management Regulation the Greater Kokstad Municipality reserves the right to reject any tender if any municipal rates and taxes or municipal service charges owed by that tenderer or any of its directors to the municipality or to any other municipality or municipal entity are in arrears **for more than 3 (three) months/90 days**. Tenderers are required to submit proof that the company and director/s do not owe municipal rates and tariffs for the municipality. Your tender will be rejected if you have not attach proof that your company does not owe rates for a period longer than 90 days

This serves to confirm that _____ (Company Name) **municipal rates and taxes are paid up to date and the following is attached:**

Proof that the Bidder (Company) does not owe rates	Tick whichever is attached.
Municipal Statement not older than 90 days and not owing more than 90 days	
Valid Lease agreement (Must be active and must be signed by both parties)	
Municipal Rates clearance certificate / Affidavit if the company is operating in rural areas (non-ratable area)/ Affidavit if residing in a property owned by another person and the company is not responsible for paying rates i.e parents. Affidavit to state the reason why they are not responsible for paying rates i.e. nonrated area or property owned by parents etc.	
Letter or rates statement from the landlord or body corporate if the company is renting and does not have a lease agreement. NB: Letter to be in the name of the bidder	
An original copy of an affidavit if the company has not attached any of the above-mentioned documents – the affidavit must clearly state the reasons why the company is not owing rates and taxes or any Municipal charges i.e director is residing with a family member and does not own any property.	

(Company Director/s) municipal rates and taxes are paid up to date and the following is attached:

Please note that you are required to attach proof that each director does not owe rates and taxes or Municipal service charges for a period longer than 90 days. Your tender will be rejected if you have not attach proof that each director does not owe rates for a period longer than 90 days.

Proof that the director/s do not owe rates for more than 90 days	Tick whichever is attached.
Municipal Statement not older than 90 days and not owing more than 90 days	
Valid Lease agreement (Must be active and must be signed by both parties)	
Municipal Rates clearance certificate / Affidavit if the company is operating in rural areas (non-ratable area)/ Affidavit if residing in a property owned by another person and the company is not responsible for paying rates i.e parents. Affidavit to state the reason why they are not responsible for paying rates i.e. nonrated area or property owned by parents etc	
Letter or rates statement from the landlord or body corporate if the company is renting and does not have a lease agreement. NB: Letter to be in the name of the direct	
An original copy of an affidavit if the director/s has not attached any of the above-mentioned document – the affidavit must clearly state the reasons why the director/s do not owe rates and taxes or any Municipal charges i.e director is residing with a family member and does not own any property.	

NB: Copies of previously certified affidavits will not be considered.

NB: TENDERERS TO NOTE THAT THEY NEED TO SUBMIT PROOF THAT BOTH THE COMPANY AND THE DIRECTOR/S DO NOT OWE RATES/ TAXES.

Signed at this day of20.....

..... Signature of data subject/ designated person

GREATER KOKSTAD MUNICIPALITY



TERMS OF REFERENCE

REQUEST FOR PROPOSAL FOR TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES

GKM 15-26/27

Issued and prepared by:
Greater Kokstad Municipality
75 Hope Street
P.O. Box 8
Kokstad
4700

Municipal Manager: S.R. ZWANE
Contact Person: A. MAHLAKA
Tel: 039 797 6743
Fax: 039 727 3676
E-mail: Andiswa.Mahlaka@kokstad.gov.za

TABLE OF CONTENT

1. INTRODUCTION

The Greater Kokstad Municipality is seeking the services of a suitably qualified Traveling and Accommodation Agencies with registration with ASATA (Association of Southern Travel Agents) as an added advantage to manage travel and accommodation arrangements reliably, cost-effectively, and cost-efficiently for Councillors, staff and associates of the Greater Kokstad Municipality.

2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidder(s) for the provision of travel management services to *Greater Kokstad Municipality*.

This RFP document details and incorporates, as far as possible, the tasks and responsibilities of the potential bidder required by *Greater Kokstad Municipality* for the provision of travel management services to *Greater Kokstad Municipality*.

This RFP does not constitute an offer to do business with *Greater Kokstad Municipality*, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

3. DEFINITIONS

Accommodation means the rental of lodging facilities while away from one's place of abode, but on authorised official duty.

After-hours service refers to an enquiry or travel request that is actioned after normal working hours, i.e. 17h00 to 8h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays

Air travel means travel by airline on authorised official business.

Authorising Official means the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g. line manager of the traveller.

Car Rental means the rental of a vehicle for a short period of time by a Traveller for official purposes.

Department means the organ of state, Department or Public Entity that requires the provision of travel management services.

Domestic travel means travel within the borders of the Republic of South Africa.

Emergency service means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.

Commerce refers to the Government's buy-site for transversal contracts.

International travel refers to travel outside the borders of the Republic of South Africa.

Lodge Card is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit card number which is "lodged" with the TMC at to which all expenditure is charged.

Management Fee is the fixed negotiated fee payable to the Travel Management Company (TMC) in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc).

Merchant Fees are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.

Quality Management System means a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management.

Regional travel means travel across the border of South Africa to any of the SADC Countries, namely, Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

Service Level Agreement (SLA) is a contract between the TMC and Government that defines the level of service expected from the TMC.

Shuttle Service means the service offered to transfer a Traveller from one point to another, for example from place of work to the airport.

Third party fees are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the TMC. These fees include visa fees and courier fees.

Transaction Fee means the fixed negotiated fee charged for each specific service type e.g. international air ticket, charged per type per transaction per traveller.

Traveller refers to a government official, consultant or contractor travelling on official business on behalf of Government.

Travel Authorisation is the official form utilised by Government reflecting the detail and order number of the trip that is approved by the relevant authorising official.

Travel Booker is the person coordinating travel reservations with the Travel Management Company (TMC) consultant on behalf of the Traveller, e.g. the personal assistant of the traveller.

Travel Management Company or TMC refers to the Company contracted to provide travel management services (Travel Agents).

Travel Voucher means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

Value Added Services are services that enhance or complement the general travel management services e.g. Rules and procedures of the airports.

VAT means Value Added Tax.

VIP or Executive Service means the specialised and personalised travel management services to selected employees of Government by a dedicated consultant to ensure a seamless travel experience.

4. LEGISLATIVE FRAMEWORK OF THE BID

4.1. Tax Legislation

- 4.1.1. Bidder(s) must be compliant when submitting a proposal to Greater Kokstad Municipality and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
- 4.1.2. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 4.1.3. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 4.1.4. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax

compliance status and by submitting this bid such confirmation is deemed to have been granted.

4.1.5. Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.

4.1.6. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

4.2. Procurement Legislation

Greater Kokstad Municipality has a detailed evaluation methodology premised on Treasury Regulations, the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

4.3. Technical Legislation and/or Standards

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

4.4. BRIEFING SESSION

A Compulsory briefing and clarification session will be held at the Greater Kokstad municipality at no 75 Hope Street, Kokstad, on the **02 October 2026 at 11h00** to clarify to bidder(s) the scope and extent of work to be executed.

NB: It is highly recommended that bidders attend the briefing session, and that it be noted that bidders who fail to attend the briefing session will be disqualified

4.5. TIMELINE OF THE BID PROCESS

The period of validity of tender and the withdrawal of offers, after the closing date and time is 90 days. The project timeframes of this bid are set out below:

Activity	Due Date
Advertisement of bid on Government e-tender portal / print media / Greater Kokstad Municipality's official website	
Compulsory briefing and clarification session	
Questions relating to bid from bidder(s)	
Bid closing date	
Notice to bidder(s)	Greater Kokstad Municipality will endeavour to inform bidders of the progress until conclusion of the tender.

All dates and times in this bid are South African standard time.

Any time or date in this bid is subject to change at Greater Kokstad Municipality's discretion. The establishment of a time or date in this bid does not create an obligation on the part of Greater Kokstad Municipality to take any action or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if Greater Kokstad Municipality extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

5. CONTACT AND COMMUNICATION

- 5.1. A nominated official of the bidder(s) can make enquiries in writing, to the specified person, Ms. A. Mahlaka via email: Andiswa.Mahlaka@kokstad.gov.za / 039 797 6743. Bidder(s) must reduce all telephonic enquiries to writing and send to the above email address.
- 5.2. The delegated office of Greater Kokstad Municipality may communicate with Bidder(s) where clarity is sought in the bid proposal.
- 5.3. Any communication to an official or a person acting in an advisory capacity for Greater Kokstad Municipality in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.

- 5.4.** All communication between the Bidder(s) and Greater Kokstad Municipality must be done in writing.
- 5.5.** Whilst all due care has been taken in connection with the preparation of this bid, Greater Kokstad Municipality makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current, or complete. Greater Kokstad Municipality, and its employees and advisors will not be liable with respect to any information communicated which may not accurate, current, or complete.
- 5.6.** If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by Greater Kokstad Municipality (other than minor clerical matters), the Bidder(s) must promptly notify Greater Kokstad Municipality in writing of such discrepancy, ambiguity, error, or inconsistency in order to afford Greater Kokstad Municipality an opportunity to consider what corrective action is necessary (if any).
- 5.7.** Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by Greater Kokstad Municipality will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.
- 5.8.** All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid, or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

6. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, may be returned unopened to the Bidder(s).

7. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

8. FRONTING

- 8.1.** Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent, and legally compliant manner. Against this background the Government condemn any form of fronting.
- 8.2.** The Government, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct, or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies Greater Kokstad Municipality may have against the Bidder / contractor concerned.

9. SUPPLIER DUE DILIGENCE

Greater Kokstad Municipality reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

10. SUBMISSION OF PROPOSALS

- 10.1.** Bid documents may be deposited/placed into the tender box located at the Reception Area at 75 Hope Street, Kokstad, 4700 or couriered to the 75 Hope Street, Kokstad, 4700 on or before the **23 October 2026 at 12h00**. Where a bidder elects to use courier services, it remains the sole responsibility of the bidder to ensure that the bid document is deposited in the correctly marked municipal tender box before the closing date and time.
- 10.2.** The Municipality will not be held liable for bid documents that are delivered to the wrong location, misplaced by the courier service, handed to municipal officials instead of being

deposited in the designated tender box or received after the closing time and date for any reason.

- 10.3.** Bid documents will only be considered if received by Greater Kokstad Municipality before the closing date and time, regardless of the method used to send or deliver such documents to Greater Kokstad Municipality.

TECHNICAL REQUIREMENTS	(PRICE & SPECIFIC GOALS)
Exhibit 1: Pre-qualification documents <i>(Gate 0: Pre-qualification Criteria (Table 1) and mandatory returnable documents.</i>	Exhibit 1: Pricing Schedule <i>(Pricing Model and Annexure A3 – Pricing Submission)</i>
Exhibit 2: • Technical Responses and Bidder Compliance Checklist for Technical Evaluation • Supporting documents for technical responses. <i>(Gate 1: Technical Evaluation Criteria and Annexure A2 – Desktop Evaluation Technical Scorecard and Compliance Checklist)</i>	
Exhibit 3: • General Conditions of Contract (GCC) • Draft Service Level Agreement <i>(Service Level Agreement)</i>	
Exhibit 4: • Company Profile • Any other supplementary information	

11. PRESENTATION / DEMONSTRATION

Greater Kokstad Municipality reserves the right to request presentations/demonstrations from the short-listed Bidders as part of the bid evaluation process. Shortlisting will be limited to the three highest scoring bidders in terms of price and specific goals

12. DURATION OF THE CONTRACT

The successful bidder will be appointed for a period of 36 (thirty-six) months commencing on the date stipulated on the appointment letter subject to annual renewal performance reviews conducted by the Municipality. Continuation of the contract beyond each annual review shall be subject to the service providers satisfactory performance and compliance with the terms of the

contract.

The Municipality reserves the right to terminate the contract in whole or in part before the expiry of the contract period where there is objective evidence of underperformance, material breach of contract, failure to meet the required service level or key performance indicators or any other valid contractual ground.

13. SCOPE OF WORK

13.1. Background

Greater Kokstad Municipality currently uses Travel Agent to manage the travel requisition and travel expense processes within the travel management lifecycle. The travel requisition process is currently a semi-automated process. The travel requisition is manually captured on forms that go through a manual authorisation approval procedure and are then forwarded to the Greater Kokstad Municipality travel co-ordinator. The Greater Kokstad Municipality travel co-ordinator captures the requisition into Travel Agent which goes through an approval workflow process and then through to the travel management company for travel booking.

Greater Kokstad Municipality 's primary objective in issuing this RFP is to enter into agreement with a successful bidder(s) who will achieve the following:

- a) Provide Greater Kokstad Municipality **with** the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;
- b) Achieve significant cost savings for Greater Kokstad Municipality **without** any degradation in the services;
- c) Appropriately contain Greater Kokstad Municipality 's risk and traveller risk.

13.2. Travel Volumes

The current Greater Kokstad Municipality total volumes per annum includes air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions for the Financial Year 2025/2026 as follows:

Service Category	Estimated Number of Transactions per annum	Estimated Expenditure per annum
Air travel – Domestic	47	R146 984.00
Air Travel - Regional & International	-	-
Car Rental – Domestic	21	R37 661 .00
Car Rental - Regional & International	-	-
Shuttle Services – Domestic	6	R12 030.00
Accommodation – Domestic	280	R1 279 717.00
Accommodation - Regional & International	-	-
Transfers - Regional & International	-	-
Bus/Coach bookings	-	-
Train – Regional & International	-	-
Conferences/Events	4	R155 063.00
Conference Group -10 Pax & More (L11)	8	R629 235.00
Group Accommodation (L12)	1	R304 200.00
Transaction Fee - After Hours (S17)	2	R460.00
Forex	-	-
GRAND TOTAL	369	R2 565 351.00

Note: These figures are projections based on the current trends and they may change during the tenure of the contract. The figures are meant for illustration purposes to assist the bidders to prepare their proposal.

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation, the following:

- a. The travel services will be provided to all Travellers travelling on behalf of Greater Kokstad Municipality, locally and internationally. This will include employees and contractors, consultants and clients where the agreement is that Greater Kokstad Municipality is responsible for the arrangement and cost of travel.
- b. Provide travel management services during normal office hours (Monday to Friday 8h00 – 17h00) and provide after hours and emergency services as stipulated in paragraph 15.3.6.
- c. Familiarisation with current Greater Kokstad Municipality travel business processes.

- d. Familiarisation with current travel suppliers and negotiated agreements that are in place between Greater Kokstad Municipality and third parties. Assist with further negotiations for better deals with travel service providers.
- e. Familiarisation with current Greater Kokstad Municipality Travel Policy and implementations of controls to ensure compliance.
- f. Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the TMC's account, subject to the outcome of a formal dispute process.
- g. Provide a facility for Greater Kokstad Municipality to update their travellers' profiles.
- h. Manage the third-party service providers by addressing service failures and complaints against these service providers.
- i. Consolidate all invoices from travel suppliers.
- j. Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.
- k. Provide the reference letters from contactable existing/recent clients (within past 3 years) which are of a similar size to Greater Kokstad Municipality (refer to the requirements on functionality assessment).
- l. It is a requirement that the bidder be a member of IATA (Proof of such membership must be submitted with the bid at closing date and time).

13.2.1. Reservations

The Travel Management Company will:

- a. Receive travel requests from travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via the agreed communication medium.
- b. always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel booker.
- c. apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.

- d. obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.
- e. book the negotiated discounted fares and rates where possible.
- f. must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- g. book parking facilities at the airports where required for the duration of the travel.
- h. respond timely and process all queries, requests, changes, and cancellations timeously and accurately.
- i. Must be able to facilitate group bookings (e.g., for meetings, conferences, events, etc.)
- j. must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
- k. advise the Traveller of all visa and inoculation requirements well in advance.
- l. assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- m. facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- n. facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.
- o. note that, unless otherwise stated, all cases include domestic, regional, and international travel bookings.
- p. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- q. Negotiated airline fares, accommodation establishment rates, car rental rates, etc, that are negotiated directly or established by National Treasury or by Greater Kokstad Municipality are **non-commissionable**, where commissions are earned for Greater Kokstad Municipality bookings all these commissions should be returned to Greater Kokstad Municipality on a quarterly basis.
- r. Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by Greater Kokstad Municipality.

- s. Timeous submission of proof that services have been satisfactorily delivered (invoices) as per Greater Kokstad Municipality 's instructions

13.2.2. Air Travel

- a. The TMC must be able to book full-service carriers as well as low-cost carriers.
- b. The TMC will book the most cost-effective airfares possible for domestic travel.
- c. For international flights, the airline which provides the most cost effective and practical routings may be used.
- d. The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- e. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- f. Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.
- g. The TMC will also assist with the booking of charters for VIPs utilising the existing transversal term contract where applicable as well as the sourcing of alternative service providers for other charter requirements.
- h. The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- i. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.
- j. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- k. Assist with lounge access if and when required.

13.2.3. Air Travel – cancellation, refunds and supporting documentation

- a. Where a flight booking is cancelled, the Travel Management Company (TMC) shall immediately initiate the refund process with the airline.
- b. The Municipality shall not be required to pay the full ticket value upfront where all or part of the fare is refundable by the airline. The Municipality shall only be liable for the actual non-

refundable portion of the airfare, including any applicable airline cancellation fees or other confirmed non-refundable charges.

- c. The TMC shall provide the Municipality with documentary proof from the airline, including but not limited to the original ticket value, the refundable amount, the non-refundable amount, cancellation charges (if any), and proof of the refund processed by the airline.
- d. Failure to provide such supporting documentation may result in the Municipality withholding payment until satisfactory evidence has been submitted.
- e. Under no circumstances shall the Municipality pay for any amount that is refundable by the airline.
- f. Any refunds received by the TMC on behalf of the Municipality shall be remitted to the Municipality without undue delay

13.2.4. Accommodation

- a. The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- b. The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller
- c. This includes planning, booking, confirming, and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with Greater Kokstad Municipality 's travel policy.
- d. Greater Kokstad Municipality travellers may only stay at accommodation establishments with which Greater Kokstad Municipality has negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or Greater Kokstad Municipality.
- e. Accommodation vouchers must be issued to all Greater Kokstad Municipality travellers for accommodation bookings and must be invoiced to Greater Kokstad Municipality as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.

- f. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- g. Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

13.2.5. Car Rental and Shuttle Services

- a. The TMC will book the approved category vehicle in accordance with the Greater Kokstad Municipality Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel, and venue).
- b. The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- c. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages, and accidents, etc.
- d. For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses, and transfers.
- e. The TMC will book transfers in line with the Greater Kokstad Municipality Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- f. The TMC should manage shuttle companies on behalf of the Greater Kokstad Municipality and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.
- g. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

13.2.6. After Hours and Emergency Services

- a. The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.
- b. A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.

- c. After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and Public Holidays.
- d. A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- e. The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

13.3. Communication

- 13.3.1. The TMC may be requested to conduct workshops and training sessions for Travel Bookers of Greater Kokstad Municipality.
- 13.3.2. All enquiries must be investigated, and prompt feedback be provided in accordance with the Service Level Agreement.
- 13.3.3. The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel management company in one smooth continuous workflow.

13.4. Financial Management

- 13.4.1. The TMC must implement the rates negotiated by Greater Kokstad Municipality with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- 13.4.2. The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to Greater Kokstad Municipality for payment within the agreed time period.
- 13.4.3. Enable savings on total annual travel expenditure and this must be reported, and proof provided during monthly and quarterly reviews.
- 13.4.4. The TMC will be required to offer a 30-day bill-back account facility to institutions should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices Greater Kokstad Municipality for the services rendered.

- 13.4.5. Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- 13.4.6. Consolidate Travel Supplier bill-back invoices.
- 13.4.7. In certain instances where institutions have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.
- 13.4.8. The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to Greater Kokstad Municipality 's Financial Department on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
- 13.4.9. Ensure Travel Supplier accounts are settled timeously.

13.5. Technology, Management Information and Reporting

- 13.5.1. The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- 13.5.2. The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.
- 13.5.3. All management information and data input must be accurate.
- 13.5.4. The TMC will be required to provide the Greater Kokstad Municipality with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.
- The reporting templates can be found on
<http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/AccountantGeneral.aspx>
- 13.5.5. Reports must be accurate and be provided as per Greater Kokstad Municipality 's specific requirements at the agreed time. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).
- 13.5.6. Greater Kokstad Municipality may request the TMC to provide additional management reports.

13.5.7. Reports must be available in an electronic format for example Microsoft Excel.

13.5.8. Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

i. Travel

- a) After hours' Report;
- b) Compliments and complaints;
- c) Consultant Productivity Report;
- d) Long term accommodation and car rental;
- e) Extension of business travel to include leisure;
- f) Upgrade of class of travel (air, accommodation and ground transportation);
- g) Bookings outside Travel Policy.

ii. Finance

- a) Reconciliation of commissions/rebates or any volume driven incentives;
- b) Creditor's ageing report;
- c) Creditor's summary payments;
- d) Daily invoices;
- e) Reconciled reports for Travel Lodge card statement;
- f) No show report;
- g) Cancellation report;
- h) Receipt delivery report;
- i) Monthly Bank Settlement Plan (BSP) Report;
- j) Refund Log;
- k) Open voucher report, and
- l) Open Age Invoice Analysis.

13.5.9. The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

13.6. Account Management

13.6.1. An Account Management structure should be put in place to respond to the needs and requirements of Greater Kokstad Municipality and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.

- 13.6.2. The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the Greater Kokstad Municipality 's account.
- 13.6.3. The necessary processes should be implemented to ensure good quality management and always ensuring Traveller satisfaction.
- 13.6.4. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.
- 13.6.5. Ensure that the Greater Kokstad Municipality 's Travel Policy is enforced.
- 13.6.6. The Service Level Agreement (SLA) must be managed, and customer satisfaction surveys conducted to measure the performance of the TMC.
- 13.6.7. Ensure that workshops/training is provided to Travellers and/or Travel Bookers
- 13.6.8. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

13.7. Value Added Services

The TMC must provide the following value-added services:

- 13.7.1. Destination information for regional and international destinations:
- i. Health warnings;
 - ii. Weather forecasts;
 - iii. Places of interest;
 - iv. Visa information;
 - v. Travel alerts;
 - vi. Location of hotels and restaurants;
 - vii. Information including the cost of public transport;
 - viii. Rules and procedures of the airports;
 - ix. Business etiquette specific to the country;
 - x. Airline baggage policy; and
 - xi. Supplier updates
- 13.7.2. Electronic voucher retrieval via web and smart phones;
- 13.7.3. SMS notifications for travel confirmations;
- 13.7.4. Travel audits;

13.7.5. Global Travel Risk Management;

13.7.6. VIP services for Executives that include but is not limited to check-in support.

13.8. Cost Management

13.8.1. The National Treasury cost containment initiative and the Greater Kokstad Municipality 's Travel Policy is establishing a basis for a cost savings culture.

13.8.2. It is the obligation of the TMC Consultant to advise on the most cost-effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.

13.8.3. The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility, and traveller satisfaction.

13.8.4. The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with Greater Kokstad Municipality 's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

13.9. Quarterly and Annual Travel Reviews

13.9.1. Quarterly reviews are required to be presented by the Travel Management Company on all Greater Kokstad Municipality travel activity in the previous three-month period. These reviews are comprehensive and presented to Greater Kokstad Municipality 's Procurement and Finance teams as part of the performance management reviews based on the service levels.

13.9.2. Annual Reviews are also required to be presented to Greater Kokstad Municipality 's Senior Executives.

13.9.3. These Travel Reviews will include without limitation the following information

- i. Institution to list the information that will be required. The reporting requirements in the National Treasury Instruction 3 of 2016/17 (Cost Containment Measures related to Travel & Subsistence) may be used as minimum.

13.10. Office Management

13.10.1. The TMC to ensure high quality service to be always delivered to the Greater Kokstad Municipality 's travellers. The TMC is required to provide Greater Kokstad Municipality with highly skilled and qualified human resources of the following roles but not limited to:

- a. Senior Consultants
- b. Intermediate Consultants
- c. Junior Consultants
- d. Travel Manager (Operational)
- e. Finance Manager / Branch Accountant
- f. Admin Back Office (Creditors / Debtors/Finance Processors)
- g. Strategic Account Manager (per hour)
- h. System Administrator (General Admin)

13.11. On-site Facilities

13.11.1. The TMC will NOT be on-site, Greater Kokstad Municipality is not in a position to provide on-site facilities like office space and furniture, telephones and photocopiers etc.

14. PRICING MODEL

Greater Kokstad Municipality requires bidders to propose three pricing models being the management fee model, commission/percentage-based fee and transactional fee model.

The Greater Kokstad Municipality will at their discretion select the best possible cost-effective solution.

Management Fee

Refer Annexure A3: Pricing Schedule

14.1.1. The management fee is the total fee per annum that will be charged to Greater Kokstad Municipality in twelve payments. The Department will pay the fee monthly in arrears.

Off-site option

Commission /Percentage based Fee

Refer Annexure A3: Pricing Schedule

14.1.2. A percentage of the total booking value, e.g. 5%.

Off-site option

Transaction Fee

Refer Annexure A3: Pricing Schedule

14.1.3. The transaction fee must be a fixed amount per service. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.

Service Category	Fixed fee per transaction
Air travel – Domestic	
Air Travel - Regional & International	
Car Rental – Domesti	
Car Rental - Regional & International	
Shuttle Services – Domestic	
Accommodation – Domestic	
Accommodation - Regional & International	
Transfers – Domestic	
Transfers - Regional & International	
Bus/Coach bookings	
Train – Regional & International	
Conferences/Events	
Conference Group -10 Pax & More (L11)	
Group Accommodation (L12)	
Transaction Fee - After Hours (S17)	

i. Off-site option (Template 1) 4.1.2.

It is important for bidders to note the following when determining the pricing:

(i) National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;

- (ii) No override commissions earned through Greater Kokstad Municipality reservations will be paid to the TMCs;
- (iii) An open book policy will apply and any commissions earned through the Greater Kokstad Municipality volumes will be reimbursed to Greater Kokstad Municipality.
- (iv) TMCs are to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution.

14.2. Volume driven incentives

14.2.1. It is important for bidders to note the following when determining the pricing:

- i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers.
- ii. No override commissions earned through Greater Kokstad Municipality **reservations** will be paid to the TMCs.
- iii. An open book policy will apply, and any commissions earned through the Greater Kokstad Municipality **volumes** will be reimbursed to Greater Kokstad Municipality.
- iv. TMCs are to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution.

15. EVALUATION AND SELECTION CRITERIA

Greater Kokstad Municipality has set minimum standards (Gates) that a bidder needs to meet to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Pre-qualification Criteria (Gate 0)	Technical Evaluation Criteria (Gate 1)	Price and SPECIFIC GOALS Evaluation (Gate 2)
Bidders must submit all documents as outlined in (Table 1) below and under the mandatory returnable documents	Bidder(s) are required to achieve a minimum of 60 points out of 100 points to proceed to Gate 2 (Price and SPECIFIC GOALS).	Bidder(s) will be evaluated out of 100 points and Gate 2 will only apply to bidder(s) who have met and exceeded the threshold of 60 points.

15.1. Gate 0: Pre-qualification Criteria

Without limiting the generality of Greater Kokstad Municipality's other critical requirements for this Bid, bidder(s) must submit the documents listed in **Table 1** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase Bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.

Table 1: Documents that must be submitted for Pre-qualification

Document that must be submitted		
Invitation to Bid – MBD 1	YES	Complete and sign the supplied pro forma document
Tax Status Tax Clearance Certificate – MBD 2	YES	i. Proof of Registration on the Central Supplier Database (Refer Section 4.1.5) ii. Vendor number iii. SARS TAX PIN
Declaration of Interest – MBD 4	YES	Complete and sign the supplied pro forma document
Preference Point Claim Form – MBD 6.1	YES	Non-submission will lead to a zero (0) score on SPECIFIC GOALS
Declaration of Bidder's Past Supply Chain Management Practices – MBD 8	YES	Complete and sign the supplied pro forma document
Certificate of Independent Bid Determination – MBD 9	YES	Complete and sign the supplied pro forma document
Bidder Compliance form for Functional Evaluation	YES	Complete and sign

Registration on Central Supplier Database (CSD)	YES	The Travel Management Company (TMC) must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration.
IATA Licence / Certificate	YES	i. Bidders are required to submit their International Air Transport Association (IATA) licence/certificate (certified copy) at closing date. ii. Where a bidding company is using a 3rd party IATA licence, proof of the agreement must be attached and copy of the certificate to that effect at closing date.
Municipal rate and taxes		Bidders are required to submit proof that the director/s and company do not owe municipal rates and taxes for a period longer than 90 days (refer to section J)
Pricing Schedule	YES	Submit full details of the pricing proposals as per Annexure A3

i. Gate 1: Technical Evaluation Criteria = 100 points

All bidders are required to respond to the technical evaluation criteria scorecard and compliance checklist.

Functionality will be evaluated as follows

Criterion	Assessment	Points Awarded	Max Points
COMPANY EXPERIENCE ON SIMILAR PROJECTS The bidder must attach a signed appointment letter/order accompanied by the reference letter from government entity / municipality stating the service of Travelling agent from	5 and above appointment letters/orders and reference letters	40	40
	3-4 appointment letters/orders and reference letters	20	
	1-2 appointment letter/order and reference letter	10	

Criterion	Assessment	Points Awarded	Max Points
previous clients.	No appointment/order and reference letter	0	
CURRICULUM VITAE OF ALL KEY PERSONNEL Bidders must submit proof of Qualification, comprehensive CV's of key personnel demonstrating experience as per the assessment criteria. • Senior Consultant (Marketing or Tourism qualifications) • Strategic Accounts Manager (Marketing or Tourism qualifications) • Finance Manager (Finance related qualifications)	Comprehensive CV/CVs of Key personnel with five (05) years relevant experience in Marketing, Tourism or Finance related accompanied by Certified Qualifications.	20	20
	Comprehensive CV/CVs of Key personnel with three (03) to four (04) years relevant experience in Marketing, Tourism or Finance related accompanied by Certified Qualifications.	15	
	Comprehensive CV/CVs of Key personnel with one (1) to two (2) years relevant experience in Marketing, Tourism or Finance related accompanied by Certified Qualifications.	10	
Methodology Travel management process in line with processes, policies, regulations and compliances must provide a technical proposal demonstrating: 1. Booking and reservation methodology; 2. Online and offline support model; 3. Cost containment and savings methodology; 4. Traveller support approach; 5. Account management framework 6. 24/7 support from our dedicated team and Key personnel	Bidders must submit a methodology and must be able to do a presentation covering the topics listed and must note that 2.5 points will be allocated for each heading	2.5 each heading	20
	NB: Shortlisted bidders will be required to deliver a presentation and/or practical demonstration covering the same eight headings listed above. The presentation/demonstration will be used to assess the bidder's ability		

Criterion	Assessment	Points Awarded	Max Points
7. Technology, Management Information and Reporting 8. Information security and data protection measures for protecting personal information. NB: EACH HEADING IS WORTH 2.5 POINTS	to effectively articulate and demonstrate how the proposed methodology, processes, systems and support model will be implemented in practice. The 2.5 for each heading will be split between the written methodology (1.5) and presentation (1.0)		
PROOF OF REGISTRATION WITH ASATA	Bidders must submit proof of registration with ASATA	20	20
Total score			100

i. **Desktop Technical Evaluation – Bidders will be evaluated out of 100 points and are required to achieve minimum threshold of 60 points of 100 points.**

ii. The overall combined score must be equal or above 60 points in order to proceed to Gate 2 for Price and SPECIFIC GOALS evaluations.

As part of due diligence, Greater Kokstad Municipality will conduct a site visit at a client of the Bidder (reference) for validation of the services rendered. The choice of site will be at Greater Kokstad Municipality 's sole discretion.

The Bidder's information will be scored according to the following points system:

Functionality	Points Achievable
PRICE	80
SPECIFIC GOALS	20
TOTAL POINTS	100

j. **Gate 2: Price and Specific Goals Evaluation (80+20) = 100 points**

Only Bidders that have met the 80-point threshold in Gate 1 will be evaluated in Gate 2 for price and Specific Goals. Price and Specific Goals will be evaluated as follows:

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- Specific Goals (maximum 20 points)

1.

Criteria	Points
Price Evaluation $Ps = 80 \left(1 - \frac{Pt - P_{\min}}{P_{\min}} \right)$	80

i. *Stage 1 – Price Evaluation (80 Points)*

The following formula will be used to calculate the points for price:

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

2. **Stage 2 – Specific Goals Evaluation (20 Points)**

a. **SPECIFIC GOALS Points allocation**

A maximum of 20 points may be allocated to a bidder for attaining their Specific Goals of contributor in accordance with the table below:

GOALS 1 – OWNERSHIP	MAX POINTS =10	Documents required for verification
Business owned more than 50% by black person	5	▪ ID copy of director/Owner ▪ Detailed CSD
Business owned more than 50% by women black	5	▪ ID copy of director/Owner ▪ Detailed CSD
GOAL 2 -RDP	MAX POINTS 10	
Business Located within the jurisdiction of the Greater Kokstad Municipality	10	▪ Proof of address for the business
Business Located within the jurisdiction of the KwaZulu Natal Province	5	▪ Proof of address for the business

SPECIFIC GOALS points may be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Municipal Bidding Document (MBD 6.1); and

b. **Joint Ventures, Consortiums and Trusts**

A trust, consortium or joint venture, will qualify for points for their SPECIFIC GOALS as a legal entity, provided that the entity submits their B-BBEE status level certificate.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if

they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. **Greater Kokstad Municipality will** accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

c. Sub-contracting

Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act about sub-contracting.

The following is an extract from the PPPFA Act:

11(8) "A person must not be awarded points for specific goals if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract."

11(9) "A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract."

b. GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

- a. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which Greater Kokstad Municipality is prepared to enter into a contract with the successful Bidder(s).

- b. The bidder submitting the General Conditions of Contract to Greater Kokstad Municipality together with its bid, duly signed by an authorised representative of the bidder.

c. CONTRACT PRICE ADJUSTMENT

Contract price adjustments will be done annually on the anniversary of the contract start date. The price adjustment will be based on the Consumer Price Index Headline Inflation

STATS SA P0141 (CPI), Table E	Table E - All Items
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d. SERVICE LEVEL AGREEMENT

- a. Upon award Greater Kokstad Municipality and the successful bidder will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by Greater Kokstad Municipality, more or less in the format of the draft Service Level Indicators included in this tender pack.
- b. Greater Kokstad Municipality reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder by amending or adding thereto.
- c. Bidder(s) are requested to:
 - a. Comment on draft Service Level Indicators and where necessary, make proposals to the indicators;
 - b. Explain each comment and/or amendment; and
 - c. Use an easily identifiable colour font or “track changes” for all changes and/or amendments to the Service Level Indicators for ease of reference.
- d. Greater Kokstad Municipality reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to Greater Kokstad Municipality or pose a risk to the organisation.

e. SPECIAL CONDITIONS OF THIS BID

Greater Kokstad Municipality reserves the right:

- a. To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- b. To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- c. To accept part of a tender rather than the whole tender.
- d. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- e. To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- f. To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- g. Award to multiple bidders based either on size or geographic considerations.
- f. GREATER KOKSTAD MUNICIPALITY REQUIRES BIDDER(S) TO DECLARE**

In the Bidder's Technical response, bidder(s) are required to declare the following:

- a. Confirm that the bidder(s) is to: –
 - a. Act honestly, fairly, and with due skill, care and diligence, in the interests of Greater Kokstad Municipality ;
 - b. Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
 - c. Act with circumspection and treat Greater Kokstad Municipality fairly in a situation of conflicting interests;
 - d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;

- e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with Greater Kokstad Municipality ;
- f. Avoidance of fraudulent and misleading advertising, canvassing and marketing;
- g. To conduct their business activities with transparency and consistently uphold the interests and needs of Greater Kokstad Municipality as a client before any other consideration; and
- h. To ensure that any information acquired by the bidder(s) from Greater Kokstad Municipality will not be used or disclosed unless the written consent of the client has been obtained to do so.

g. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

- a. Greater Kokstad Municipality reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of Greater Kokstad Municipality or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")
 - a. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
 - b. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
 - c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of Greater Kokstad Municipality 's officers, directors, employees, advisors or other representatives;

- d. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- e. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g. has in the past engaged in any matter referred to above; or
- h. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

h. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- a. The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that Greater Kokstad Municipality relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- b. It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by Greater Kokstad Municipality against the bidder notwithstanding the conclusion of the Service Level Agreement between Greater Kokstad Municipality and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

i. PREPARATION COSTS

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in

this bid will be construed as placing Greater Kokstad Municipality, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

j. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, Greater Kokstad Municipality incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds Greater Kokstad Municipality harmless from any and all such costs which Greater Kokstad Municipality may incur and for any damages or losses Greater Kokstad Municipality may suffer.

k. PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

l. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at its own risk and cost. Greater Kokstad Municipality shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

m. TAX COMPLIANCE

No tender shall be awarded to a bidder who is not tax compliant. Greater Kokstad Municipality reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award or has submitted a fraudulent Tax Clearance Certificate to Greater Kokstad Municipality, or whose verification against the Central Supplier Database (CSD) proves non-compliant. Greater Kokstad Municipality further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

n. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Greater Kokstad Municipality reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

o. GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

p. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that Greater Kokstad Municipality allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and Greater Kokstad Municipality will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

q. CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with Greater Kokstad Municipality's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored, or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by Greater Kokstad Municipality remain proprietary to Greater Kokstad Municipality and must be promptly returned to Greater

Kokstad Municipality upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure Greater Kokstad Municipality 's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

r. GREATER KOKSTAD MUNICIPALITY PROPRIETARY INFORMATION

Bidder will on their bid cover letter make declaration that they did not have access to any Greater Kokstad Municipality proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

s. AVAILABILITY OF FUNDS

Should funds no longer be available to pay for the execution of the responsibilities of this bid the Greater Kokstad Municipality may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimize further expenditure: Provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

t. KPI

MONITORING, REPORTING AND PENALTIES.

The Municipality shall monitor the performance of the Service Provider through:

- Monthly reports;
- Performance will be reviewed monthly.
- Failure to meet standards may result in:
- Written warnings
- Penalties 2.5% or 5% invoice reduction
- Contract termination for repeated non-performance.

Unsatisfactory performance may result in written warnings, penalties or termination of the contract in accordance with the Service Level Agreement.

No.	Performance Area	Target / Standard	Measurement Method	Weight
1.	Response to Travel Requests	Acknowledge and respond to travel requests within 30 minutes during official business hours.	100% of requests responded to within 30 minutes	15
2.	Booking Confirmation	Confirm approved travel bookings within 2 hours of receiving complete and authorised instructions, subject to availability.	100% of bookings confirmed within 2 hours	15
3.	Competitive Pricing	Provide the most economical available fare that meets the traveller's approved requirements and municipal travel policy.	100% of bookings where best available compliant fare was obtained	15
4.	Changes and Cancellations	Process authorised changes/cancellations within 1 hour of receiving the instruction and advise the municipality of applicable costs/refunds.	% processed within 1 hour	15
5.	After-Hours/Emergency Support	Provide assistance for urgent travel-related matters outside normal business hours.	100% of emergency requests attended to within agreed response time	10
6.	Reporting	Submit a monthly travel report containing bookings, cancellations, costs, savings and outstanding matters by the 10th working day of the following month.	monthly reports submitted on time	10
7.	Customer Service	Resolve complaints or service-	100% of complaints	10

		related queries within 2 working days.	resolved within 2 working days	
8.	Submit accurate invoice	Correct billing and submission of supporting documentation	100% accuracy on invoices submitted monthly	10

12.1 SCORING METHOD

The scoring method will be as follows:

Score	Rating	Description
5	Excellent	Fully meets or exceeds requirements; no issues
4	Good	Minor deviations; no impact on service
3	Acceptable	Some issues; corrective action required
2	Poor	Significant issues; performance below standard
1	Very Poor	Non-compliant; serious failure

Score Range	Performance Level	Action
95% -100%	Excellent	No action
80–94%	Good	Monitor
70–79%	Acceptable	Written warning
60–69%	Poor	2.5% invoice deduction
Below 60%	Very Poor	5% invoice deduction

u. COMPLETION OF MUNICIPAL BID DOCUMENTS AND CLARIFICATION OR TENDER REQUIREMENTS

1. PURPOSE OF THIS SECTION

This section aims to assist bidders by clarifying the purpose and importance of each Municipal Bid Document (MBD form) and outlining the consequences of not completing or submitting these forms correctly. It also provides guidance on mandatory compliance requirements such as Joint Venture (JV) submissions, municipal rates and taxes, and CIDB grading requirements.

1.1. COMPLETION OF MUNICIPAL BID DOCUMENTS (MBD FORMS)

All bidders must ensure that the following forms are fully completed, signed, and submitted with their tender. Failure to comply may render the bid non-responsive or lead to disqualification.

Form No.	Form Name	Purpose / What to Declare	Consequence of Non-Compliance
MBD 1	Invitation to Bid	Confirms bidder's details, pricing, and acceptance of bid conditions. Bidders must complete all parts, especially the price, offer validity period, and signature.	Omission of pricing or bidder details automatically disqualifies the bid, as the offer cannot be evaluated.
MBD 2	Tax Clearance Requirements	Ensures the bidder is tax compliant with SARS.	Non-compliant bidders will be given seven days to fix their tax matters with the South African Revenue Service and will be disqualified if the tax matters are not compliant after the seven days period
MBD 3.1 / 3.2 / 3.3	Pricing Schedules	Provides detailed pricing for goods/services offered.	Incomplete pricing results in invalid or non-responsive bid.
MBD 4	Declaration of Interest	Requires bidders declare interest and to declare any relationship with municipal employees, councillors, or other state officials. All directors, shareholders, and partners must be listed including JV partners in case of a joint venture if the form is not completed separately by the joint venture partners. Bidders must also declare if they have an	Failure to disclose relationships or interests in other companies constitutes a false declaration under the Municipal Supply Chain Management Regulations, 2005 (Reg. 38) and will lead to disqualification, blacklisting, or cancellation of the contract or recovery of funds. Bidders are informed that the failure to declare interest on other related companies constitutes a

		interest in any other company to avoid false declarations.	false declaration and bidders will be disqualified for non-disclosure
MBD 6.1	Preference Points Claim Form (Specific Goals)	Used to claim preference points for specific goals in line with the Preferential Procurement Regulations, 2022.	Bidder forfeits preference points if not completed. Bidders must claim points by writing the number of points claimed and not by ticking.
MBD 8	Declaration of Bidder's Past Supply Chain Practices	Declares whether the bidder has been restricted, terminated, or failed to perform on any previous government contract.	Failure to disclose or false declaration may result in disqualification or blacklisting.
MBD 9	Certificate of Independent Bid Determination	Confirms that the bid was prepared independently without collusion or price fixing.	Omission renders bid non-responsive.

JOINT VENTURE (JV) SUBMISSIONS

Where a bid is submitted as a Joint Venture (JV), the following requirements apply:

- A signed JV Agreement must be submitted, clearly identifying the lead partner and percentage shareholding.
- Each partner must either complete separate MBD 4, MBD 8, and MBD 9 forms or if the forms are completed for the joint venture (combined forms MBD 4, 8 and 9) the directors of all parties must be listed on MBD 4 and the bidders name must be that of the Joint Venture.
- All partners must be CSD registered and tax compliant.
- A combined specific goals declaration must be provided.
- In case of a bid with a CIDB requirement the lead partner's CIDB grading may not be more than one level lower than the required grading for the project, in accordance with

Regulation 25(7A) of the Construction Industry Development Regulations, 2013 (as amended).

- The joint venture grading calculator will be used to calculate the bidders CIDB Grade of the joint venture

- Failure to comply with these requirements will render the JV bid non-responsive.

Example: If the tender requires CIDB 7CE, the lead partner must have at least a 6CE grading or the bidder will be excluded.

Municipal Rates and Taxes

All bidders must provide proof of good standing regarding municipal rates and taxes by submitting one of the following:

- A valid municipal statement not older than 3 months; or
- A lease agreement signed by both parties if the premises are leased; or
- An original affidavit if the
- Proof of payment arrangement if the account is in arrears.

Failure to provide proof of municipal rates compliance will result in automatic disqualification.

Additional Mandatory Requirements

- CSD Registration: Bidders must be registered and active on the Central Supplier Database (CSD) at the time of award.

6. Important Reminder

Incomplete, unsigned, or missing mandatory documents cannot be rectified after closing. Bidders are strongly advised to review their submission using a compliance checklist before delivery.

MBD1 - PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE GREATER KOKSTAD MUNICIPALITY					
BID NUMBER:	GKM 15-26/27	CLOSING DATE:	23 OCTOBER 2026	CLOSING TIME:	12H00
DESCRIPTION	TRAVEL AND ACCOMMODATION ARRANGEMENT SERVICES				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
75 HOPE STREET KOKSTAD 4700					
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					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER	 _____		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	Budget and Treasury Office		CONTACT PERSON	Andiswa Mahlaka	
CONTACT PERSON	Andiswa Mahlaka		TELEPHONE NUMBER	039 797 6743	
TELEPHONE NUMBER	039 797 6743		FACSIMILE NUMBER	039 727 3676	
FACSIMILE NUMBER	039 797 6701		E-MAIL ADDRESS	andiswa.mahlaka@kokstad.gov.za	
E-MAIL ADDRESS	Andiswa.Mahlaka@Kokstad.gov.za				

MBD1 - PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 7.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 7.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED)**
- 7.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?
☐ YES ☐ NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES
☐ NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?
☐ YES ☐ NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?
☐ YES ☐ NO
- 3.5. 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 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS WILL RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

MBD 3.1 - PRICING SCHEDULE – FIRM PRICES

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

MBD 3.1

DESCRIPTION	QUANTITY	AMOUNT
COMPANY STAMP		
	SUB-TOTAL	
	VAT (15%)	
	TOTAL	

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.

CONDITIONS OF TENDER

- Price(s) quoted must be valid for at least Ninety (90) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT (**Non-compliance** with the Value Added Tax Act, 1991; i.e. In terms of this Act **it is mandatory** for any business **to register for VAT** if the income earned in any consecutive twelve (12) month period exceeds or is likely to exceed R 1 million.
NB: Bidder/s failing to comply with this provision of the Value Added Tax Act, 1991 **WILL NOT BE CONSIDERED**, therefore rejected)
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document
- Tender documents signed by a person who does not have authority to sign will be disqualified.

- Tenderers who did not complete the compulsory questionnaire, who abuse the employer's supply chain management system will not be conceded
- Non-collusion affidavit to be executed by bidder and submitted with the bid.

ANNEXURE C - MBD 4 DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

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

3.2 Identity Number:
.....

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:
.....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:
.....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?
YES / NO

3.8.1 If yes, furnish particulars.

.....
¹MSCM Regulations: “in the service of the state” means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of 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);

(e) a member of the accounting authority of any national or provincial public entity; or (f) an employee of Parliament or a provincial legislature.

² Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?

.....**YES / NO**

3.9.1 If yes, furnish particulars.....

.....
3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with

the evaluation and or adjudication of this bid?..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?
YES / NO

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1

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

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

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The 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	80
SPECIFIC GOALS	20
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 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$P_s = 80 \left(1 + \frac{80/20 \cdot P_t - P_{max}}{P_{max}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = 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 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 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
GOALS 1 – OWNERSHIP	MAX POINTS =10	
Business owned more than 50% by black person	5	
Business owned more than 50% by women black	5	
GOAL 2 -RDP	MAX POINTS 10	
Business Located within the jurisdiction of the Greater Kokstad Municipality	10	
Business Located within the jurisdiction of the KwaZulu Natal Province	5	

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:

.....

.....

MBD 8 - DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MBD 9
CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of:

that:

(Name of Bidder)

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

However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

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

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

INSTRUCTIONS TO BIDDERS PUBLICATION REFERENCE:

In submitting their bid, bidders must respect all instructions, forms, Terms of reference, contract provisions and specifications contained in this bid dossier. Failure to submit a bid containing all the required information and documentation within the deadline specified will lead to the rejection of the bid.

SUBMISSION REQUIREMENTS AND SELECTION CRATERIA

Bidders are required to submit the following documents:

- Printed copy of SARS tax a pin for further verification.
- Certified ID(s) copies of company director(s)
- Proof of company registration, (compulsory) – for Joint Ventures / Consortiums bidders must attach the CK's of each of the Joint Venture/ Consortium members
- Copy of current municipal account for all Director/s and Company (not owing more than 3 months) or copy of lease agreement from the relevant authority if the director/s or company is leasing. If the business is operated from the residence of one of the Director/s, an original affidavit, certified, must be submitted stating the address of the premises. For any other arrangement that is not covered above, director/s must submit an original affidavit, certified clarifying the arrangement. All affidavits must be original affidavits, certified and must be from the SAPS. Affidavits must be signed by the company director/s.
- Printed copy of SARS Tax Pin for further verification.
- Completed and signed Municipal Bidding Document attached in the tender document.
- Copy of CSD (Central Supplier Database) summary report

1. Services to be provided

These services required by the Contracting Authority are described in these Terms of Reference/Specification.

2. Participating and sub-contracting

- 2.1 Participation in this bid is open to everyone.**
- 2.2 Bids should be submitted by the same service provider or consortium, which has submitted the proposal based on the above. No change whatsoever in the identity or composition of the bidder is permitted;**
- 2.3 Short-listed service provider or consortia are allowed to form alliances with any other firms or to sub-contract to each other for the purpose of this contract;**
- 2.4 Sub-contracting will be allowed, only in so far as it was stated in the initial bid.**
- 2.5 Duplication of bid document is prohibited.**

3. Contents of Bids

Bid must comprise of a financial offer must be submitted with the bid.

4. Financial offer

The financial offer must state the bidder's price in South African Rand for providing the services according to its Technical offer and the bidders offer must be inclusive of vat and any other relevant taxes.

The same person, who signed the corresponding must sign this document.

5. Submission of samples

Prospective bidders will be requested to supply samples to the Municipality to enable verification of SABS and SANS specifications on samples provided and compliance with Local Content Criteria only when necessary.

6. Variant solutions

Any variant solutions will not be taken into consideration.

7. Period during which Bid are binding

Bidders are bound by their bids for 90 days after the deadline for the submission of bids. In exceptional cases, before the period of validity expires, the Contracting Authority may ask bidders to extend the period for a specific number of days, which may not exceed 40.

The successful bidder must maintain its bid for a further 60 days from the date of notification that its bid has been selected for the contract.

8. Additional information before the deadline for submission of bidders

The bid dossier should be clear enough to avoid the Contracting Authority from having request additional information during the procedure. If the Contracting Authority, either on own initiative or in response to the request of a short-listed candidate, provides additional information on the bid dossier, such information will be sent in writing to all other bidders at the same time.

Bidders may submit questions in writing to the following address up to 10 days before the deadlines for submission of bids, specifying the **publication reference** and the **contract title**:

Attention: Ms. A. Mahlaka
Greater Kokstad Municipality
75 Hope Street
P.O. Box 8
KOKSTAD
4700
Email: Andiswa.Mahlaka@kokstad.gov.za

Any prospective bidders seeking to arrange individual meetings with either the Contracting Authority during the bid period may be excluded from the bid procedure.

Any clarification of the bid dossier will be communicated simultaneously in writing to all bidders at the latest 7 calendar days before the deadline for submission of bids. No further clarifications will be given after this date.

Visit by individual prospective bidder during the bid period are not permitted other than the site visit for good reasons.

8. Submission of Bids

Bids must be submitted in English such that they are received before the deadline specified by in the letter of invitation to bid.

Any infringement of these rules (e.g. unsealed envelopes) is to be considered a breach of the rules, and will lead to rejection of the bid.

The envelope should carry the following information:

- a) The address for submission of bid indicated above;);
- b) The words "Not to be opened before the bid opening sessions";
- c) The pages of the Technical and Financial offers must be numbered.

9. Alterations or Withdrawal of Bids

9.1 Bidders may alter or withdraw bids by written notification prior to the deadline for submission of bids. No bid may be altered after this deadline.

9.2 Any such notification of alteration or withdrawal shall be prepared and submitted in accordance with clause 8. The envelope must be marked "Alteration" or "Withdrawal" as appropriate.

10. Costs for preparing Bids

No costs incurred by the bidder in preparing and submitting the bid shall be reimbursable. All such costs shall be borne by the bidder. In particular, if proposed key members were interviewed, all costs shall be borne by the bidder.

11. Ownership of Bids

The Contracting Authority retains ownership in all bid received (this excludes intellectual property for all but the successful bidder) under this tendering procedure. Consequently, bidders have no right to have their bids returned to them.

12. Confidentiality

The entire evaluation procedure, from the drawing up of the shortlist to the signature of the contract, is confidential. The Evaluation / Adjudication Committee's decisions are collective and its deliberations are held in closed session. The members of the Evaluation / Adjudication Committee are bound to secrecy.

The evaluation reports and written records are for official use only and may be communicated to neither the bidders nor to any party other than the Contracting Authority.

13. Ethics clauses / Corruptive practices

- a) Any attempt by a bidder to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation / Adjudication Committee or the Contracting Authority during the process of examining, clarifying, evaluating, comparing and adjudication bid will lead to the rejection of its bid and may result in administrative penalties.
- b) The bidder must not be affected by any potential conflict of interest.
- c) The Greater Kokstad Municipality reserves the right to suspend or cancel funding to this project if corrupt practices of any kind are discovered at any stage of the award process or during the implementation of a contract, if the Contracting Authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, "corrupt practices" are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the Contracting Authority.
- d) Bids will be rejected, or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Failure to comply with one or more of the ethics clauses may result in the exclusion of the bidder or contractor from other Community contracts and in penalties.

14. Documentary evidence required from the successful Bidder

The successful bidder will be informed in writing that its bid has been accepted (notification of award). Before the Contracting Authority signs the contract with a Successful bidder, a successful bidder may be requested to provide additional information as deemed necessary by the Contracting Authority.

This evidence or these documents must carry a date, which cannot be more than 180 days in relation to the deadline for the submission of the bidder. In addition, a sworn statement shall be furnished stating that the situations described in these documents have not changed since then.

If the successful bidder fails to provide these documents or is found to have provided false information, the award will be considered null and void. In such a case, the Contracting Authority may award the bid to another bidder or cancel the bid procedure.

15. Signature of contract(s)

Within 7 days of receipt of the contract already signed by the Contracting Authority, the selected bidder shall sign and date the contract and return it to the Contracting Authority.

Failure of the selected bidder to comply with this requirement may constitute grounds for the annulment of the decision to award the contract. In such a case, the Contracting Authority may award the bid to another bidder or cancel the bid procedure.

The other candidates will be informed that their bids were not accepted, by means of a public notice which will be emailed to the bidders or be published on the Greater Kokstad Municipality Website.

16. Cancellation of the Bids procedure

In the event of cancellation of the bid procedure, bidders will be notified of the cancellation by the Contracting Authority. If the bid procedure is cancelled before the envelopes of any bid has been opened, the unopened and sealed envelopes will be returned to the bidders.

Cancellation may occur when:

- The bid procedure has been unsuccessful, i.e., no qualitatively or financially worthwhile bid has been received or there is no response at all;
- The economic or technical data of the project have been fundamentally altered;
- Exceptional circumstances or *force majeure* render normal performance of the contract impossible;
- All technically compliant bids exceed the financial resources available;
- There have been irregularities in the procedure, in particular where these have prevented fair competition.

In no event shall the Contracting Authority be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a bid even if the Contracting Authority has been advised of the possibility of damages.

The publication of a procurement notice does not commit the Contracting Authority to implement the programme or project announced.

THE NATIONAL TREASURY
Republic of South Africa



GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT

July 2010

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General Conditions of Contract

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 goods are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad markets 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 goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the 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 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

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

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

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

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

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

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

Be extended only so far as may be necessary for the purpose of 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 the purposes of performing the contract.
- 5.3 Any documents 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 supplier's performance under the contract if so require 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.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

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.

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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6. Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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

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, and in any subsequent instructions ordered by the purchaser.

10 Delivery and documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

- 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.

12 Transportation

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

13 Incidental Services

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any:
- 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 13.1.4. 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
 - 13.1.5. 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, 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.

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 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, 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.

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.

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 or in the purchaser's request for bid validity extension, as the case may be.

18 Variations on orders

In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

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 contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21 Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during 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 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

21.4 goods 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 22.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the 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 supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser 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

23.8 . 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

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.

28 Governi ng language

28.1. 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.

29 Applica ble law

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

30 Notices

30.1 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.

30.2 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.

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

***31 Taxes
and duties***

- 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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

32 Transfer of contracts

- 32.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

33 Amendment of contracts

- 33.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

34 Prohibition of restrictive practices

35.1 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.

35.2 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 section 59 of the Competition Act No 89 Of 1998.

35.3 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.