LEPELLE NORTHERN WATER

LEPELLE NORTHERN WATER
Water is our passion

TENDER NO: LNW03/26/27

ASSESSMENT OF IMPAIRMENT, USEFUL LIVES AND RESIDUAL VALUES OF INFRASTRUCTURE AND MOVEABLE ASSETS, INCLUDING PHYSICAL COUNT OR ASSET VERIFICATION OF LEPELLE NORTHERN WATER

CLOSING DATE:

07 December 2026 at 11h00

ISSUED BY:

LEPELLE NORTHERN WATER

Physical address: 01 Landros Mare Street
Polokwane
0700

Postal address: Private Bag X9522
Polokwane
0700

Tel: 015 295 1800
Fax: 015 295 1931
E-mail: information@lepelle.co.za

NAME OF TENDERER: _____

CSD NUMBER: MAAA_____

TOTAL AMOUNT: (incl. VAT)_____

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LEPELLE NORTHERN WATER					
BID NUMBER:	**LNW03/26/27**	**CLOSING DATE: 07 December 2026**		CLOSING TIME:	11h00
DESCRIPTION	***ASSESSMENT OF IMPAIRMENT, USEFUL LIVES AND RESIDUAL VALUES OF INFRASTRUCTURE AND MOVEABLE ASSETS, INCLUDING PHYSICAL COUNT OR ASSET VERIFICATION OF LEPELLE NORTHERN WATER***				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT 01 LANDROS MARE STREET POLOKWANE
LEPELLE NORTHERN WATER HEAD OFFICE
01 LANDROS MARE STREET
POLOKWANE

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Happiness Baloyi**	CONTACT PERSON	**Sidney Sithole**
TELEPHONE NUMBER	**015 295 1800**	TELEPHONE NUMBER	**015 295 1800**
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	**Happinessb@lepelle.co.za**	E-MAIL ADDRESS	**Sidney@lepelle.co.za**

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

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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

PART B

TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER: ……

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

DATE: ……

1. BACKGROUND

LNW is a Schedule 3B public entity established under the Water Services Act, 1997, and prepares annual financial statements in accordance with the applicable PFMA and accounting standards. Bidders shall use the asset and site baseline. Variances will be managed only through the approved change-control process.

The indicative carrying values below are extracted from LNW's approved financial statements for the year ended [2025/26] and are provided solely to inform scope and pricing.

Property, Plant and Equipment

Assets Class	**Carrying value (R)**
Land	27 662 206,10
Buildings	105 175 317,90
Waterworks	2 465 839 808 ,47
Machinery and Equipment	305 815 339,02
Telemetry	3 136 016,55
Furniture and Fittings	3 426 892,93
Vehicles	15 813 520,29
Computer Hardware	3 155 310,00
Leased Assets	
Assets Under Construction	650 056 458,93
Total	**3 580 079 770,19**

Intangible Assets

Assets Class	**Carrying value (R)**
Servitudes	781 210,59
Software	365,61
Total	**781,576.20**

The service provider is required to provide comprehensive asset management services, including the establishment of GRAP-compliant asset registers for each asset portfolio, physical assessment, componentisation, spatial linking, valuation and appropriate accounting treatment.

2. SPECIFICATION

2.1. Scope of Work

LNW requires a suitably qualified service provider with demonstrable capability to perform the scope and deliver the outputs specified below:

a) Perform physical count or asset verification using appropriate technology and conduct condition assessments of infrastructure and movable assets for impairment purposes in accordance with applicable GRAP Standards and LNW-approved accounting policies.
b) Perform valuations of assets identified during physical verification but not recorded in the asset register, in accordance with applicable GRAP Standards. All valuations must be supported by appropriate documentation.
c) Perform valuations of donated or transferred assets in accordance with applicable GRAP Standards.
d) Obtain and review the existing PPE Register to assess compliance with applicable GRAP Standards.
e) Review the current approved methodologies and recommend improvements where necessary, subject to LNW approval.
f) Review the useful lives and residual values of all assets in accordance with applicable GRAP Standards.
g) Perform a desktop assessment to identify all assets that should be considered for impairment.
h) Perform a desktop assessment to identify possible duplicate assets.
i) Reconcile the asset register to the general ledger.
j) Review the asset register and perform the required procedures to identify impairment indicators and perform the necessary calculations.
k) Ensure that all infrastructure assets are loaded into LNW's GIS and can be spatially verified.
l) Update the fixed asset register with the physical verification results and prepare supporting documentation for all adjustments made.
m) Produce reports as evidence of impairment assessments, useful-life assessments and residual-value assessments, including an assessment of the reasonableness of assumptions and estimates used in the calculations, together with all necessary supporting documentation.
n) Implement the approved skills-transfer plan and submit attendance records, training materials, practical assessments and handover evidence.
o) Provide in-house audit support during scheduled internal and external audits. Responses to audit queries, requests for information and supporting documentation must be provided within three (3) working days of receipt.
p) Unbundle completed capital projects and capitalise the resulting assets under the appropriate asset classes. All accounting entries and disclosures remain subject to written approval by authorised LNW

officials.

q) Submit progress reports in accordance with the Reporting Requirements specified in this document.

r) Prepare and submit an Annual Verification Report by 15 July and a final GRAP-compliant asset register for all asset categories by 31 July of each year, in accordance with the approved milestones.

s) Ensure that the solution complies with ICT/GIS Requirements, including interfaces, security, hosting, licensing, data formats, testing, support and exit arrangements. Integration shall be subject to LNW ICT approval.

t) Provide the necessary schedules, reconciliations and notes to the Annual Financial Statements during the preparation of interim and annual financial statements.

u) Before expiry of the contract, deliver all data, configurations, audit trails and documentation in LNW-approved open formats such as point shape file, Line shape file, Polygon shape files, complete migration testing and obtain written acceptance. Provide post-contract data migration and transition support where required by LNW.

v) Review only the Standard Operating Procedures (SOPs) and provide a clause-level gap assessment and proposed amendments for LNW approval.

w) For each adjustment, provide a traceable audit pack containing source evidence, calculations, accounting treatment, approval, system-update evidence and cross-references to the Fixed Asset Register and general ledger.

x) Any additional service must be directly related to the approved scope and may proceed only through a written, authorised variation in accordance with LNW policy and the contract.

y) Prepare and present an annual close-out report to management.

2.2 Reporting Requirements

The appointed service provider shall submit:

a) Progress Reports: Progress reports every two weeks reflecting activities completed, progress against milestones, challenges, risks and planned activities.

b) Monthly Progress Reports: A consolidated monthly progress report by the fifth (5th) working day of the following month, reflecting progress against deliverables and milestones, asset verification progress, outstanding matters, risks, corrective actions and planned activities.

c) Quarterly Performance Reports: A consolidated quarterly performance report for consideration at the quarterly Steering Committee review, reflecting performance against contractual deliverables, milestones, quality requirements, skills-transfer activities, data/system requirements, risks and corrective actions.

d) Annual Reports: Annual verification reports and the GRAP-compliant asset register in accordance with the approved milestones.

2.3 Responsibilities of LNW

a) Provide asset registers and supporting documentation.

b) Facilitate access to sites and infrastructure.
c) Provide access system where approved.
d) Review and approve deliverables.
e) Coordinate internal stakeholder participation.
f) Process payments subject to successful delivery.

2.4 Contract Management

a) LNW Project Manager.
b) Monthly progress meetings.
c) Quarterly steering committee reviews.
d) Issue escalation process.
e) Change-control process.
f) Performance review process.
g) Approval process for deliverables and invoices.

2.5 Performance Management

The performance of the appointed service provider shall be monitored by the LNW Project Manager throughout the contract period against:

a) approved scope of work;
b) contractual deliverables;
c) approved milestones;
d) reporting requirements;
e) quality requirements;
f) approved Implementation Plan; and
g) skills-transfer obligations.

Performance shall be reviewed through monthly progress meetings and quarterly performance reviews. All identified performance deficiencies and agreed corrective actions shall be documented and monitored to closure

2.6 Non-Performance and Contractual Remedies

a) Where the service provider fails to meet an approved deliverable, milestone, reporting requirement or performance standard, LNW will issue a written notice requiring the service provider to rectify the non-performance and submit a corrective action plan within five (5) working days.
b) Payment relating to an incomplete or unacceptable deliverable may be withheld until the affected deliverable has been completed and accepted in writing by LNW.
c) Persistent or material failure to meet contractual requirements may constitute a breach of contract and may result in contractual remedies being applied in accordance with the contract/SLA, including performance deductions where expressly quantified in the SLA, recovery of proven losses and/or termination of the contract, subject to the applicable contractual provisions and LNW policies.

3 CONTRACT DURATION, DELIVERABLES AND MILESTONES

3.1 Contract Period

The contract shall be for a period of thirty-six (36) months, commencing on the effective date specified in the written appointment letter or signed contract. The approved milestone dates may be adjusted, where necessary, to align with the actual commencement date, without changing the contract duration or approved scope.

3.2 Deliverables and Milestones

Annual SLA reviews will assess performance and planned deliverables and will not amend the contract except through an authorized written variation.

3.2.1 Year 1 Deliverables and Milestones

Milestone	**Target Date**
Inception Report	1 March 2027 – 31 March 2027
Methodology Approval	1 March 2027 – 31 March 2027
Physical Count or Asset Verification	1 April 2027 – 15 June 2027
Interim Asset Register Update	30 June 2027
Annual Verification Report	15 July 2027
Final GRAP Asset Register	31 July 2027
Audit Support	1 August to 31 October 2027
Presentation of a close out report	30 November 2027

3.2.2 Year 2 Deliverables and Milestones

Milestone	**Target Date**
Inception Report	1 March 2028 – 31 March 2028
Methodology Review and Approval	1 March 2028 – 31 March 2028
Physical Count or Asset Verification	1 April 2028 – 15 June 2028
Interim Asset Register Update	30 June 2028
Annual Verification Report	15 July 2028
Final GRAP Asset Register	31 July 2028
Audit Support	1 August 2028 – 31 October 2028
Presentation of Close-Out Report	30 November 2028

3.2.3 Year 3 Deliverables and Milestones

Milestone	**Target Date**
Inception Report	1 March 2029 – 31 March 2029

Methodology Review and Approval	1 March 2029– 31 March 2029
Physical Count or Asset Verification	1 April 2029 – 15 June 2029
Interim Asset Register Update	30 June 2029
Annual Verification Report	15 July 2029
Final GRAP Asset Register	31 July 2029
Audit Support	1 August 2029 – 31 October 2029
Presentation of Close-Out Report	30 November 2029

6. PROCUREMENT PROCESS

The procurement will follow an open competitive bidding process and applicable LNW governance requirements.

Validity of Tender : 150 days
Contract Period : 36 months (3 years)
Date advert published : 05 November 2026
Tender document available : 05 November 2026
Closing date of Advert : 07 December 2026
Compulsory Briefing Date : 23 November 2026 @ 14h00
Compulsory Briefing Address/Location : Ebenezer Water Treatment Works
GPS Coordinates: 23.938413, 29.981945
Old Smokey Building, George's Valley

7. EVALUATION CRITERIA

Evaluation will apply the Preferential Procurement Policy Framework Act, 2000 and the Preferential Procurement Regulations, 2022, together with LNW's approved preferential procurement policy.

THIS BID WILL BE EVALUATED AND ADJUDICATED ACCORDING TO THE FOLLOWING CRITERIA:

I. Relevant specifications
II. Value for money
III. Capability to execute the contract.
IV. LNW SCM Policy
V. PPPFA and associated regulations
VI. Tender terms and stages as outlined

8.TENDER EVALUATION METHOD

Tender will be evaluated in terms of the following four stages:

Stage 1: Administrative Compliance
Stage 2: Mandatory Requirements

Stage 3: Functionality: Technical Evaluation

Stage 4: Preferential points system (Price and Specific Goals):

STAGE 1. ADMINISTRATIVE COMPLIANCE

MINIMUM DOCUMENTS REQUIRED FOR THIS BID	SUBMITTED (YES /NO)
Completed SBD1	
Completed SBD 6.1 forms	
Valid SARS Tax PIN	
Company registration documents / CIPC (CK)	
Valid B-BBEE Certificate / Sworn Affidavit	

All the above administrative documents MUST be submitted with the tender document

STAGE 2 - MANDATORY REQUIREMENTS

NO	DOCUMENTS REQUIRED	SUBMITTED (YES /NO)
1	Joint Venture (JV) bidders must submit a JV Agreement clearly indicating the lead partner and the percentage split of participation for each partner, totaling 100%.	
2	Full completion and signing of SBD 4 and SBD 3.1	
3	Attach Proof of registration on the Central Suppliers Database (CSD). In case of a JV, all Partners must submit. This will be verified online.	
4	Attach proof of municipal rates and taxes (in the name of the company or a director), not older than three months, as proof of business or residential address. Alternatively, bidders may submit a signed lease agreement in the name of the company or a dated stamped letter from the relevant tribal authority.	
5	Clearly visible certified copies of valid identity documents of all company directors, certified not more than six (6) months before the tender closing date.	
6	All bid documents must be completed in full and in BLACK ink where applicable; (No tampering of bid documents with either correction fluid, sticky papers, or any other thing which can indicate that the bid document has been tampered with).	
7	The bidder must provide proof of a valid Asset Verification System/Software license registered in the name of the bidding company and valid for use during the contract period.	

NB: Failure to comply with any of the above requirements will lead to disqualification.

STAGE 3: FUNCTIONALITY: TECHNICAL EVALUATION

The bidder must obtain a minimum score of 80 points to qualify for further evaluation on price and Preference Points Allocation

CRITERIA FOR ASSESSMENT OF FUNCTIONALITY All bids that meet the mandatory requirements will be evaluated on functionality. The functionality evaluation criteria, weighting and scoring methodology are set out in the table below. **CRITERION**	**Points** **100**
1. COMPANY EXPERIENCE (30) ➢ The bidder must demonstrate successfully completed experience in the **preparation of GRAP- compliant asset registers for a Water Services Authority and/or Water Board**. ➢ Bidders must submit signed and dated reference letters on the official client's letterhead clearly confirming the relevant services successfully completed. ➢ Points will be allocated as follows: **a)** Four (4) or more relevant reference letters – **30 Points** **b)** Three (3) relevant reference letters – **20 Points** **c)** Two (2) relevant reference letters – **10 Points** **d)** Fewer than two (2) relevant reference letters – **0 Points** ➢ **NB:** A multi-year contract shall be considered as **one project/reference**, irrespective of the number of years completed under the contract. The reference letter must confirm the nature of the services performed and the period successfully completed.	**30**

2. CAPACITY(20 POINTS)	**20**

2.1 CASH AND CASH EQUIVALENTS / WORKING CAPITAL FACILITY – 10 POINTS

- The bidder must demonstrate sufficient financial capacity by submitting the most recent audited or independently reviewed financial statements, not older than two (2) years, or the latest bank confirmation of an available working capital facility.
- Points will be allocated as follows:

a) R1,000,000 and above – **10 Points**
b) R500,000 to R999,999 – **7 Points**
c) R200,000 to R499,999 – **3 Points**
d) Below R200,000 or no acceptable supporting evidence – **0 Points**

- **NB:** The amount used for scoring must be clearly supported by the submitted financial statements or bank confirmation of the available working capital facility.

2.2 VEHICLES AVAILABLE FOR ASSET VERIFICATION – 10 POINTS

- The bidder must demonstrate access to suitable off-road vehicles to be used during the physical verification of assets.
- Points will be allocated as follows:

a) Five (5) or more off-road vehicles – **10 Points**
b) Three (3) to four (4) off-road vehicles – **7 Points**
c) One (1) to two (2) off-road vehicles – **3 Points**
d) No vehicle or no acceptable supporting evidence – **0 Points**

- **NB:** The bidder must provide proof of ownership, lease agreement, rental commitment or another enforceable right of access to the required vehicles for the relevant mobilization and performance periods.

3. PROFILE OF KEY STAFF (40) ➢ Number of years for key staff (**accounting team, project accountants and engineer team and property valuer)** involved in the compiling of asset register. **3.1 PROJECT MANAGER – CA(SA) – 10 POINTS** ➢ The proposed Project Manager must be a qualified CA(SA). Points will be allocated based on relevant post-qualification experience as follows: **a)** Seven (7) years or more post-qualification experience – **10 Points** **b)** Three (3) to six (6) years post-qualification experience – **6 Points** **c)** Two (2) years post-qualification experience – **4 Points** **d)** Less than two (2) years post-qualification experience or no acceptable evidence – **0 Points** ➢ **NB:** Attach proof of the relevant qualification, professional registration/membership and evidence of relevant experience for points allocation. **3.2 PROJECT ACCOUNTANTS – THREE (3) BCOM GRADUATES – 10 POINTS** The bidder must propose three (3) Project Accountants, each holding a relevant BCom degree. Each Project Accountant will be assessed individually based on relevant post-qualification experience. • Five (5) years or more: **3.33 points per Project Accountant** • Three (3) to four (4) years: **1.67 points per Project Accountant** • Two (2) years: **1 point per Project Accountant** • Less than two (2) years or no acceptable evidence: **0 points** **NB:** • Where all three Project Accountants meet the highest scoring requirement, the bidder will be awarded the maximum score of 10 points. • Bidders must submit copies of the relevant BCom qualifications and evidence of relevant post-qualification experience for each proposed Project Accountant.	**40**

3.3 ENGINEERING SPECIALIST – 10 POINTS ➢ The bidder must propose an Engineering Specialist in Civil Engineering, Mechanical Engineering, Electrical Engineering or another applicable engineering discipline and provide proof of professional registration with ECSA. ➢ Points will be allocated as follows: **a)** Professional Engineer – **10 Points** **b)** Professional Engineering Technologist – **7 Points** **c)** Professional Engineering Technician – **5 Points** **d)** No applicable professional registration – **0 Points** ➢ **NB:** Attach copies of the relevant qualification and proof of professional registration with ECSA for points allocation. **3.4 PROFESSIONAL PROPERTY VALUER – 10 POINTS** ➢ The proposed Property Valuer must be professionally registered with SACPVP or hold the applicable professional registration recognised for the required valuation services. **a)** Required professional registration submitted – **10 Points** **b)** Required professional registration not submitted – **0 Points** ➢ Attach proof of the applicable qualification and professional registration for points allocation. ➢ **NB:** Points under Criteria 3.1 to 3.4 will be allocated separately based on the supporting evidence submitted for each key personnel category. Where acceptable supporting evidence is not submitted for a particular category, the bidder will score zero (0) points for that category.	
4. IMPLEMENTATION PLAN – 10 POINTS ➢ The bidder must submit a detailed Implementation Plan demonstrating how the services will be executed over the thirty-six (36) month contract period. ➢ The following elements will be assessed:	**10**

4.1 METHODOLOGY AND WORK BREAKDOWN STRUCTURE – 2 POINTS a) 0 Points – Not provided. b) 1 Point – Provided but only partially addresses the scope and required activities. c) 2 Points – Detailed methodology and work breakdown structure covering the required scope and activities. **4.2 RESOURCE ALLOCATION – 2 POINTS** a) 0 Points – Not provided. b) 1 Point – Resources identified but not adequately linked to activities. c) 2 Points – Resources clearly identified and allocated to activities and deliverables. **4.3 MILESTONE SCHEDULE – 2 POINTS** a) 0 Points – Not provided. b) 1 Point – Schedule provided but does not adequately address all required milestones. c) 2 Points – Detailed schedule aligned with the required contractual deliverables and milestones. **4.4 RISK MANAGEMENT PLAN – 2 POINTS** a) 0 Points – Not provided. b) 1 Point – Risks identified but mitigation measures are incomplete. c) 2 Points – Key project risks and appropriate mitigation measures are clearly identified. **4.5 QUALITY ASSURANCE PLAN – 2 POINTS** a) 0 Points – Not provided. b) 1 Point – Quality controls are provided but are incomplete. c) 2 Points – Quality controls are clearly defined and linked to the contractual deliverables. ➢ **NB:** The Implementation Plan must cover the full thirty-six (36) month contract period and address the methodology, resource allocation, milestones, risk management and quality assurance requirements	
Total Points	**100**

NB: Bidders must achieve a minimum functionality score of 80 points out of 100 to proceed to Stage 4: Evaluation on Price and Specific Goals. Bidders scoring below 80 points will not be evaluated further.

STAGE 4: 80/20 EVALUATION ON PRICE AND SPECIFIC GOALS

- Only the combined Price & Specific Goals points will determine the highest point scoring service provider to be awarded the contract**.**
- Financial offer and Preference Points Allocation:

1) Score tender evaluation points for financial offer.
2) Confirm that tenderers are eligible for the Preference Points Allocation (As per the Preferential Procurement regulations 2022) claimed, and if so, score tender evaluation points.
3) Calculate total quotation evaluation points using estimated rates total and preference points.
4) Rank bidders offered from the highest points scorer of tender evaluation points to the lowest.
5) Recommend the highest-scoring acceptable tenderer for the award of the contract, unless there are objective and justifiable reasons not to do so.

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (see definition on SBD 4 attached)

POINTS AWARDED FOR PRICE

THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20 or 90/10

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

The Preferential Point System will be used to evaluate the bid.

Table 2: Preference Points Allocation (As per the Preferential Procurement regulations 2022)

#	Specific Goals	Means of verification	80/20 Points
1	SMME (Small Medium Micro Enterprise)	CSD Report	5
2	Black women (100% Black women ownership in the company)	CSD Report	5
3	Black ownership (100% black ownership in the company)	CSD Report	5
4	Black Youth (Minimum of 1 shareholder Black youth ownership in the company)	CSD Report	5
Total Points			**20**

The points scored by the tenderer with respect to the level of Preference Points Allocation must be added to the points scored for price.

PRICING SCHEDULE – FIRM PRICES

(PURCHASES)

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

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

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

OFFER TO BE VALID FOR 150 DAYS FROM THE CLOSING DATE OF BID.

Pricing & Payment Terms

Bidders must provide a firm price for every applicable deliverable in each year of the contract. The tendered price must include all personnel, equipment, technology, software, reporting, documentation and other resources required to complete the deliverable. A price entered against a deliverable shall be deemed to include all supporting activities and outputs required by the Scope of Work, Reporting Requirements, approved milestones and contract conditions.

YEAR 1 – PRICING SCHEDULE

No.	Deliverable	Quantity	Unit Price (R)	Price (R)
1	Conduct a physical count or asset verification using appropriate technology and perform condition assessments of infrastructure and movable assets in accordance with applicable GRAP Standards and LNW-approved accounting policies.	1		
2	Perform valuations of assets identified during physical verification but not recorded in the asset register, supported by appropriate documentation.	1		
3	Perform valuations of donated or transferred assets in accordance with applicable GRAP Standards.	1		
4	Obtain and review the existing PPE Register and assess its compliance with applicable GRAP	1		

	Standards.			
5	Review the current approved asset-management, impairment, useful-life and residual-value methodologies and recommend improvements where necessary, subject to LNW approval.	1		
6	Review the useful lives and residual values of all assets in accordance with applicable GRAP Standards.	1		
7	Perform a desktop assessment to identify assets that should be considered for impairment.	1		
8	Perform a desktop assessment to identify possible duplicate assets.	1		
9	Reconcile the asset register to the general ledger.	1		
10	Review the asset register, identify impairment indicators and perform the necessary impairment calculations.	1		
11	Ensure that all infrastructure assets are loaded into LNW's GIS and can be spatially verified, including compliance with applicable ICT/GIS interface, security, hosting, licensing, data-format, testing, support, migration and exit requirements, subject to LNW ICT approval.	1		
12	Update the Fixed Asset Register with the physical-verification results.	1		
13	For every adjustment, prepare a traceable audit pack containing source evidence, calculations, accounting treatment, approval, system-update evidence and cross-references to the Fixed Asset Register and general ledger.	1		
14	Produce reports supporting the impairment, useful-life and residual-value assessments, including the reasonableness of assumptions and estimates used in the calculations.	1		
15	Implement the approved skills-transfer plan and submit attendance records, training materials,	1		

	practical assessments and handover evidence.			
16	Provide in-house audit support during scheduled internal and external audits, including responses to audit queries, requests for information and supporting documentation within three working days of receipt.	1		
17	Unbundle completed capital projects and capitalise the resulting assets under the appropriate asset classes, subject to written approval by authorised LNW officials.	1		
18	Submit all fortnightly, monthly, quarterly and annual reports required under the Reporting Requirements.	1		
19	Prepare and submit the Annual Verification Report in accordance with the approved annual milestone.	1		
20	Prepare and submit the final GRAP-compliant asset register for all asset categories in accordance with the approved annual milestone.	1		
21	Prepare the necessary schedules, reconciliations and notes for the interim and annual financial statements.	1		
22	Review LNW's Standard Operating Procedures and provide a clause-level gap assessment and proposed amendments for LNW approval.	1		
Subtotal excluding VAT				
VAT at 15%				
Total including VAT				

YEAR 2 – PRICING SCHEDULE

No	Deliverable	Quantity	Unit Price (R)	Price (R)
1	Conduct a physical count or asset verification using appropriate technology and perform condition assessments of infrastructure and movable assets in accordance with applicable GRAP Standards and LNW-approved accounting policies.	1		
2	Perform valuations of assets identified during physical verification but not recorded in the asset register, supported by appropriate documentation.	1		
3	Perform valuations of donated or transferred assets in accordance with applicable GRAP Standards.	1		
4	Obtain and review the existing PPE Register and assess its compliance with applicable GRAP Standards.	1		
5	Review the current approved asset-management, impairment, useful-life and residual-value methodologies and recommend improvements where necessary, subject to LNW approval.	1		
6	Review the useful lives and residual values of all assets in accordance with applicable GRAP Standards.	1		
7	Perform a desktop assessment to identify assets that should be considered for impairment.	1		
8	Perform a desktop assessment to identify possible duplicate assets.	1		
9	Reconcile the asset register to the general ledger.	1		
10	Review the asset register, identify impairment indicators and perform the necessary impairment calculations.	1		
11	Ensure that all infrastructure assets are loaded into LNW's GIS and can be spatially verified, including compliance with applicable ICT/GIS interface, security, hosting, licensing, data-format, testing, support, migration and exit requirements, subject to LNW ICT approval.	1		
12	Update the Fixed Asset Register with the physical-verification results.	1		
13	For every adjustment, prepare a traceable audit pack containing source evidence, calculations, accounting	1		

	treatment, approval, system-update evidence and cross-references to the Fixed Asset Register and general ledger.			
14	Produce reports supporting the impairment, useful-life and residual-value assessments, including the reasonableness of assumptions and estimates used in the calculations.	1		
15	Implement the approved skills-transfer plan and submit attendance records, training materials, practical assessments and handover evidence.	1		
16	Provide in-house audit support during scheduled internal and external audits, including responses to audit queries, requests for information and supporting documentation within three working days of receipt.	1		
17	Unbundle completed capital projects and capitalise the resulting assets under the appropriate asset classes, subject to written approval by authorised LNW officials.	1		
18	Submit all fortnightly, monthly, quarterly and annual reports required under the Reporting Requirements.	1		
19	Prepare and submit the Annual Verification Report in accordance with the approved annual milestone.	1		
20	Prepare and submit the final GRAP-compliant asset register for all asset categories in accordance with the approved annual milestone.	1		
21	Prepare the necessary schedules, reconciliations and notes for the interim and annual financial statements.	1		
22	Review LNW's Standard Operating Procedures and provide a clause-level gap assessment and proposed amendments for LNW approval.	1		
Subtotal excluding VAT				
VAT at 15%				
Total including VAT				

YEAR 3 – PRICING SCHEDULE

No.	Deliverable	Quantity	Unit Price (R)	Price (R)
1	Conduct a physical count or asset verification using appropriate technology and perform condition assessments of infrastructure and movable assets in accordance with applicable GRAP Standards and LNW-approved accounting policies.	1		
2	Perform valuations of assets identified during physical verification but not recorded in the asset register, supported by appropriate documentation.	1		
3	Perform valuations of donated or transferred assets in accordance with applicable GRAP Standards.	1		
4	Obtain and review the existing PPE Register and assess its compliance with applicable GRAP Standards.	1		
5	Review the current approved asset-management, impairment, useful-life and residual-value methodologies and recommend improvements where necessary, subject to LNW approval.	1		
6	Review the useful lives and residual values of all assets in accordance with applicable GRAP Standards.	1		
7	Perform a desktop assessment to identify assets that should be considered for impairment.	1		
8	Perform a desktop assessment to identify possible duplicate assets.	1		
9	Reconcile the asset register to the general ledger.	1		
10	Review the asset register, identify impairment indicators and perform the necessary impairment calculations.	1		
11	Ensure that all infrastructure assets are loaded into LNW's GIS and can be spatially verified, including compliance with applicable ICT/GIS	1		

	interface, security, hosting, licensing, data-format, testing, support, migration and exit requirements, subject to LNW ICT approval.			
12	Update the Fixed Asset Register with the physical-verification results.	1		
13	For every adjustment, prepare a traceable audit pack containing source evidence, calculations, accounting treatment, approval, system-update evidence and cross-references to the Fixed Asset Register and general ledger.	1		
14	Produce reports supporting the impairment, useful-life and residual-value assessments, including the reasonableness of assumptions and estimates used in the calculations.	1		
15	Implement the approved skills-transfer plan and submit attendance records, training materials, practical assessments and handover evidence.	1		
16	Provide in-house audit support during scheduled internal and external audits, including responses to audit queries, requests for information and supporting documentation within three working days of receipt.	1		
17	Unbundle completed capital projects and capitalise the resulting assets under the appropriate asset classes, subject to written approval by authorised LNW officials.	1		
18	Submit all fortnightly, monthly, quarterly and annual reports required under the Reporting Requirements.	1		
19	Prepare and submit the Annual Verification Report in accordance with the approved annual milestone.	1		
20	Prepare and submit the final GRAP-compliant asset register for all asset categories in accordance with the approved annual milestone.	1		
21	Prepare the necessary schedules, reconciliations and notes for the interim and annual financial statements.	1		

22	Review LNW's Standard Operating Procedures and provide a clause-level gap assessment and proposed amendments for LNW approval.	1		
23	Final contract data handover and exit support, including delivery of all data, configurations, audit trails and supporting documentation in LNW-approved open formats, completion of migration testing, transition support and written acceptance by LNW.	1		
Subtotal excluding VAT				
VAT at 15%				
Total including VAT				

TOTAL FOR THE DURATION OF THE CONTRACT	**YEAR 1**	**YEAR 2**	**YEAR 3**
SUBTOTAL EXCLUDING VAT			
VAT AT 15%			
TOTAL INCLUDING VAT			

All prices must be all-inclusive and include personnel, travel, accommodation, subsistence, transport, equipment, software and other necessary costs, with no additional disbursements payable.

9. SPECIAL CONDITIONS OF CONTRACT (SCC)

These Special Conditions of Contract (SCC) shall be read together with the General Conditions of Contract (GCC). Where there is any conflict between the SCC and GCC, the SCC shall prevail to the extent of the conflict.

a) General Compliance: The Service Provider must strictly adhere to all terms of this contract and all relevant statutory requirements for the duration of the contract.

b) Health and Safety: Full compliance with the Occupational Health and Safety Act, 1993 (Act 85 of 1993) and any site-specific safety regulations is mandatory while performing physical assessments on LNW infrastructure.

c) Reporting and Payment: A detailed report must be submitted for each service rendered. No payment will be processed until the report has been reviewed and granted final written approval by the designated end user.

d) Quality and Standard: All physical verifications, condition assessments, and resulting reports must meet the required GRAP standards and LNW policies.

e) Vehicle Provision: The Service Provider must supply a reliable, roadworthy light commercial vehicle (bakkie) for the transportation of personnel and equipment to and from the infrastructure sites. The vehicle must be appropriately licensed, comprehensively insured, and maintained in good working condition for the duration of the contract.

f) Confidentiality and Data Security: All data, asset locations, conditions, and reports gathered during the contract remain the sole property of LNW.

g) Insurance and Liability: The Service Provider must maintain adequate public liability and professional indemnity insurance for the duration of the contract.

h) Subcontracting: The Service Provider may not assign, transfer, or subcontract any portion of the work without prior written approval from LNW.

i) Access and Cooperation: LNW will grant the Service Provider reasonable access to infrastructure sites. The Service Provider must coordinate with the relevant LNW site managers prior to conducting physical inspections.

j) Annual Review of the Implementation Plan: The successful Service Provider's Implementation Plan shall be reviewed annually in consultation with LNW to ensure continued alignment with the approved annual deliverables, milestones and contractual requirements. Any amendments resulting from the annual review shall require prior written approval from LNW and shall not change the approved scope of work or contractual obligations, unless authorised through the applicable change-control process.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest1 in the enterprise, employed by the state? **YES/NO**

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

Full Name	**Identity Number**	**Name of State institution**

2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:
……
……

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

2.3.1 If so, furnish particulars:
……
……

3 DECLARATION

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

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

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.

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

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

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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2 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.

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

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

…… ……
Signature Date

…… ……
Position Name of bidder

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

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

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

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1. GENERAL CONDITIONS

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

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

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

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

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

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

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

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

(a) Price; and

(b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	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 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Small, Medium Macro Enterprises (SMME)	5	
Black women (100% Black women ownership in the company)	5	
Black ownership (100% black ownership in the company)	5	
Black Youth (Minimum of one shareholder black youth ownership in the company)	5	
Total	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm…….

4.4. Company registration number: ……...

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

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

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

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

(a) disqualify the person from the tendering process;

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

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

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

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

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

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

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

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

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

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

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

1.7 “Day” means calendar day.

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

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

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

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

RSA.

1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

1.14 “GCC” means the General Conditions of Contract.

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

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

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

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

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

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

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

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

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

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

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

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

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

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

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

29. Governing language

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

30. Applicable law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

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

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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