employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

REQUEST FOR BID

TCF 03:2026/27

THE COMPENSATION FUND (CF) WISHES TO INVITE ALL INTERESTED COMPANIES TO SUBMIT BIDS FOR THE APPOINTMENT OF A SERVICE PROVIDER TO RENDER TRAVEL MANAGEMENT SERVICES FOR COMPENSATION FUND FOR A PERIOD OF SIXTY (36) MONTHS

ISSUE DATE:
13/11/2026

CLOSING DATE AND TIME
07/12/2026
11:00 am

BRIEFING SESSION DETAILS

A non-compulsory Briefing Session will be held on **(20/11/2026)** via MS Teams to which the link will be provided.

Join: https://teams.microsoft.com/meet/3412065271912350?p=qvYyKCh8binRtSs30A
Meeting ID: 341 206 527 191 235 0
Passcode: Kd6Lt7E7

Enquiries may be directed to: SCM.Enquiries@LABOUR.gov.za

NB: Bidder may ask for clarification on these terms of reference up to close of seven (7) business days before the deadline for the submission

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SBD 1

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF DEPARTMENT/ PUBLIC ENTITY*)					
BID NUMBER:	**TCF03:2026/27**	CLOSING DATE:	**07/12/2026**	CLOSING TIME:	**11:00am**
DESCRIPTION	**THE APPOINTMENT OF SERVICE PROVIDER TO RENDER TRAVEL MANAGEMENT SERVICES FOR COMPENSAION FUNDS FOR A PERIOD OF SIXTY (36) MONTHS.**				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*
The Compensation Fund
230 Lilian Ngoyi Street
Absa Towers Building, Ground Floor
Pretoria CBD, 0001

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON		CONTACT PERSON	
TELEPHONE NUMBER		TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	SCM.Enquiries@LABOUR.gov.za	E-MAIL ADDRESS	SCM.Enquiries@LABOUR.gov.za

SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR** CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ 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 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, 2017, 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.**
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:

……



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF EMPLOYMENT AND LABOUR

COMPENSATION FUND

APPOINTMENT OF A SERVICE PROVIDER TO RENDER TRAVEL MANAGEMENT SERVICES FOR COMPENSATION FUND FOR A PERIOD OF SIXTY (36) MONTHS

Terms of Reference

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1. PURPOSE

The purpose of these Terms of Reference (TOR) is to solicit proposals from potential bidder(s) for the provision of travel management services including but not limited to air, shuttle, car hire, accommodation, conference venue, events and bus services to the Compensation Fund.

These Terms of Reference detail and incorporate, as far as possible, the tasks and responsibilities of the potential bidder required by the Compensation Fund for the provision of travel management services to the Compensation Fund.

These terms of reference do not constitute an offer to do business with the Compensation Fund, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

2. EXECUTIVE SUMMARY

The Compensation Fund herein under referred to as the Fund, is a public entity of the Department of Employment and Labour herein under referred to as the DEL. The Fund administers the Compensation for Occupational Injuries and Diseases Act no. 130 of 1993 as amended by the COIDA of 2022.

The main function of the Fund is to collect revenue and pay medical service providers including compensation benefits to injured employees. This function has been enabled through an electronic service oriented operational system to administer COIDA with online registration and underwriting of employers, registration of claims, and processing and payment of benefits to ensure accuracy and consistency.

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 07h59 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 Traveler 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.

Enterprise Resource Planning (ERP) means software system that helps organizations streamline their core business processes—including finance, HR, manufacturing, supply chain, sales, and procurement—with a unified view of activity and provides a single source of truth.

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 successful bidder to which all expenditure is charged.

Bill-Back, refers to the supplier sending the bill back to the Travel Management Company (TMC) for payment, who, in turn, invoices Compensation Fund for the services rendered

Management Fee is the fixed fee payable to the Travel Management Company (successful bidder) 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.

OBT is Online Booking Tool

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.

Service Level Agreement (**SLA**) is a contract between the successful bidder and Department of Employment and Labour that defines the level of service expected from both parties.

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 successful bidder. 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 (successful bidder) on behalf of the Traveller, e.g. the personal assistant of the Traveller.

Travel Management Company or successful bidder refers to the Company contracted to provide travel management services (Service Provider).

Forex means foreign currency exchange

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.

Variable Costs are any cost incurred as and when needed by CF (e.g. afterhours transactions, stationary, training, etc)

VAT means Value Added Tax.

NDC means a new standard of transmitting data, developed by IATA, that allows airlines to distribute their content (booking baggage, WI-FI and meals separately) in real time.

LDS means Local Distribution System. (It's a local computerized network system which provides real-time information to companies such as airlines, hotels, car rental and travel agencies).

GDS means Global Distribution System. (It's a global computerized network system which provides real-time information to companies such as airlines, hotels, car rental and travel agencies).

3.1. Travel Volumes

The previous Compensation Fund total estimated travel volumes for the past 36 months' period include air travel, accommodation, car hire, forex, conference, etc. The table below details the number of transactions per travel line item or type of travel services:

TRAVEL transactions from December 2021 to December 2024	
Service Category	**Actual transactions from December 2021 to December 2024**
Air travel – Domestic	4 358
Air Travel - Regional & International	13
Car Rental – Domestic	1 094
Transfers/Shuttle Services – Domestic	3 308
Transfers/Shuttle – Regional / International	8
Accommodation – Domestic	5 096
Accommodation - Regional & International	30
Bus/Coach bookings	72
Conferences/Events	526
After Hours Services	58
Insurance	1
Parking Bookings	63
Forex	0
Travel Lodge Card Reconciliation	12
Debtors account Reconciliation	12
GRAND TOTAL	**14 651**

Note: Above figures are based on the current trends and may change during the tenure of the contract. These figures are shown for illustration purposes to assist the bidders to prepare their proposals.

3.2. Service Requirements

3.2.1. General

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 travelers travelling on behalf of the Compensation Fund. This will include employees, contractors, consultants and clients where the agreement is that Compensation Fund is responsible for the arrangement and cost of travel.

(b) Familiarization with current Compensation Fund travel business processes.

(c) Familiarization with current travel suppliers and negotiated agreements with National Treasury.

(d) Familiarization with current Department of Employment and Labour Travel Policy and implementations of controls to ensure compliance.

(e) 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.

(f) Provide online system (Full online Based System) for Compensation Fund, to update their travelers' profiles.

(g) Assist in managing the third-party service providers by addressing service failures and complaints against these service providers.

(h) **Consolidate all invoices from travel suppliers and timeous submission thereof to** Compensation Fund through online integrated system on a weekly basis.

(i) Reconcile weekly and monthly invoices, with weekly and monthly statements and send to the Compensation Fund.

(j) Provide Compensation Fund Management with access to operational reports.

3.2.2. Reservations

The Travel Management Company will:

(a) Receive travel requests from travelers and / or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the order, the travel agent will issue the required e - tickets details and vouchers immediately and send it to the travel booker and traveler via SMS and email. If a need arises, consultants will communicate via telephone and share with accommodation establishments immediately.

(b) Always endeavor to make the most cost-effective travel arrangements.

(c) Apprise themselves of all travel requirements for destinations to which travelers will be travelling and advise the Traveler of alternative plans that are more cost-effective and more convenient where necessary.

(d) Obtain price comparisons for all travel requests where the routing or destination permits.

(e) Book the negotiated discounted fares and rates where possible.

(f) 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 traveler'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, workshops, etc.)

(j) Must issue all necessary travel documents, itineraries and vouchers timeously to Traveler(s) prior to departure dates.

(k) Advise the Traveler 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. Note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.

(o) Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the Traveler(s) where visas will be required.

(p) Negotiated airline fares, accommodation establishment rates, car rental rates etc. that are negotiated directly or established by National Treasury or by Compensation Fund are non-commissionable, where commissions are earned for Compensation Fund bookings all these commissions should be returned to Compensation Fund on a monthly basis.

3.2.3. 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 lowest 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 Traveler.

(e) The airline ticket should include the applicable airline agreement number.

(f) Airline tickets must be sent electronically to the traveler(s) promptly after booking before the departure times.

(g) The TMC will also assist with the booking of charters for VIPs utilizing 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 Compensation Fund

(i) Submit proof on discounted published fares.

3.2.4. Accommodation

(a) The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate as per the cost containment instruction by National Treasury and that is located as close as possible to the venue or office or location or destination of the traveler,

(b) This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with Department of Employment and Labour's travel policy.

(c) Compensation Fund Travelers may only stay at accommodation establishments with which National Treasury 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 Traveler, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the Traveler and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury or Compensation Fund.

(d) Accommodation vouchers must be issued and sent to all Compensation Fund Travelers, bookers and accommodation establishments immediately.

(e) All invoices must be submitted to Compensation Fund on a weekly basis and such invoices must be supported by a copy of the original hotel invoice charges (Third-Party).

3.2.5. Car Rental and Shuttle Services

(a) The TMC will book the approved category vehicle in accordance with the National Treasury Cost Containment Measures with the appointed car rental service provider from the closest rental location (airport, hotel and venue).

(b) The travel consultant should advise the Traveler on the best time and location for collection and return considering the Traveler's specific requirements.

(c) For international travel the TMC may offer alternative ground transportation to the Traveler that may include rail, buses and transfers.

(d) The TMC will book transfers/shuttle services in line with the National Treasury Cost Containment Measures with the appointed and/or alternative service providers. Transfers/shuttle services can also include sedan, bus and coach services.

(e) The TMC must negotiate the rates for the transfers/shuttle.

(f) The TMC will be responsible to re-direct traffic fines to the relevant Traveler.

3.2.6. After Hours and Emergency Services

(a) The TMC must provide a consultant or team of consultants to assist Travelers with after hours and emergency reservations and changes to travel plans.

(b) A dedicated consultant/s must be available to assist VIP/Executive Travelers with after hours or emergency assistance.

(c) After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 07h59) and twenty-four (24) hours on weekends and Public Holidays.

(d) A dedicated consultant/s after hours contact number should be available to all travel officials so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

(e) The TMC must have a memorandum of understanding with the Fund for managing after hours and emergency services.

(f) The TMC must send the voucher and confirmations to travel booker/Traveler.

(g) After hours booking must be submitted on the system for approval the following day and approved on the system and a purchase order number be generated within 24 hours.

(h) The Compensation Fund will provide the list of after hour authorizers to the TMC.

3.3. Communication

3.3.1. The TMC must communicate details of workshops, and training sessions for Travel Bookers of the Compensation Fund, to be provided every six months.

3.3.2. The TMC must communicate accommodation establishment inspections for proper service delivery to the Compensation Fund Travel Office.

3.3.3. All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.

3.3.4. The TMC must ensure sound communication with all stakeholders. Link the business Traveler, travel booker, Travel Management Company in one smooth continuous workflow.

3.4. Financial Management

3.4.1. The TMC must implement the rates negotiated by National Treasury with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.

3.4.2. ***The TMC will be responsible for managing the 3rd party service provider accounts and the original invoices from the 3rd party service providers must be attached to the TMC invoice upon submission to the Fund. This will include the timely receipt of invoices to be presented to Compensation Fund for payment within the agreed time period. Any interest charged due to delays in the process of obtaining third-party invoices will be for the TMC's account.***

3.4.3. ***Any interest charged by the bank, due to the bank's delays to print and send statements to the TMC, regarding the lodge card, the bank will be responsible for such interest. Any interest charged due to delayed or late submission of invoices from the TMC to the Fund, will be for the TMC's account.***

3.4.4. Enable savings on total annual travel expenditure and this must be reported and statistics reports provided during monthly and quarterly reviews.

3.4.5. ***The TMC will be required to offer a 30-day bill-back account facility for all land arrangements to Compensation Fund and a lodge card be offered only for flight tickets and insurance.***

3.4.6. ***The Travel Management Company must provide consolidated Travel Supplier bill-back invoices and statement on a weekly and monthly basis for the Compensation Fund to process.***

3.4.7. ***The Travel Management Company must perform an account reconciliation on a weekly and monthly basis and submit updated statements to the Compensation Fund.***

3.4.8. ***The Travel Management Company (TMC) shall be responsible for consolidating invoices and submitting them to the Compensation Fund's Auxiliary Services on a weekly basis, as agreed.***

3.4.9. Small, Medium and Micro Enterprises (SMMEs), as defined by the National Small Business Act 102 of 1996, classified under the Department of Small Business Development (DSBD) as separate distinct business entities - where pre-payments are required for smaller Bed & Breakfast/Guest House facilities, these will be processed via the Lodge card. These are occasionally required at short notice and even for few days.

3.4.10. Air tickets and all related costs are regarded as a pre-payment service paid upfront by the TMC and be billed from the credit card

Each invoice must be accompanied by the relevant **supporting documentation**, including:

- A valid **Travel Authorisation**, **Purchase Order**, or **Voucher**
- **Third-party supporting documents** from service providers (e.g., airlines, hotels)
- **Supporting documents uploaded by the booker** via the online travel booking system

These documents must correspond with the items reflected on the service provider's bill-back report or the corporate credit card statement, as applicable.

3.4.11. Travel Management Company must ensure Travel Supplier accounts are settled timeously.

3.4.12. For all travel requests the Travel Management Company must not split the requisition when submitting the tax invoice.

3.4.13. The Travel Management Company is responsible for communicating with the establishment (Land Arrangements) regarding all outstanding payments and **not** with the Compensation Fund officials.

3.4.14. Tariff /Discount Adjustments

The TMC must furnish notices of imminent tariff adjustment in writing, especially in respect of Air and Land arrangements services and ensure continuous negotiations for lower and higher discounts. Prices inclusive of VAT must be quoted in South African Rands.

3.5. Technology, Management Information and Reporting

3.5.1. The implementation of an Online Booking Tool to facilitate domestic and international bookings must be developed and implemented to optimize the services and related fees in line with the Fund's requirements.

3.5.2. ***The TMC must ensure that the developed system must be a fully electronic integrated system compatible with the Fund's ERP systems (Human Resources Management and Financial Management Systems) to administer human resources and payment of invoices.***

3.5.3. ***The TMC must stipulate clearly the total fee costs for the integration processes with the Fund's (Human Resources Management - Persal and Financial Management Systems - SAP) and clearly stipulate the consultation fee costs between the Fund and the service provider technicians, in concluding the integration project.***

3.5.4. The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.

3.5.5. All management information and data input must be accurate and up to date.

3.5.6. Travel Management Company must comply with all POPIA prescripts.

3.5.7. Reports must be accurate and be provided as per the Compensation Fund's specific requirement as per the service level agreement.

3.5.8. Reports must be available in an electronic format, for example Microsoft Excel, PDF etc.

3.5.9. The TMC's online system must be accessible to smartphones for all travel services.

3.5.10. The TMC's online system must have a functionality that allows Compensation Fund staff members to check in flight tickets and land arrangements prior arrival to airports and accommodation establishments.

3.5.11. **Service Level Agreement reports must be provided on a monthly basis. It will** include but will not be limited to the following:

i. Operational Reports:

(a) After hours';
(b) No Shows;
(c) Accident;
(d) Open flight tickets;
(e) Missed savings;
(f) Cancellation;
(g) Compliments and complaints;
(h) Upgrade of class of travel (air, accommodation and Car rental);
(i) Bookings outside Travel Policy.
(j) Late bookings;
(k) Savings;
(l) Supplier Breakdown;
(m) Executive Management Reports (Annual Travel and Expenditure Reports)

ii. Financial Reports

(a) Reconciliation of commissions/rebates or any volume driven incentives;
(b) Creditors' ageing;
(c) Creditors' payment summary;
(d) Weekly tax invoices submitted;

(e) Weekly outstanding tax invoices;

(f) Reconciled reports for Travel Lodge card statement;

(g) Reconciled reports for Bill Back transactions;

(h) Monthly Bank Settlement Plan (BSP);

(i) Refund Log;

(j) Open vouchers, and

(k) Open Age Invoice Analysis.

(l) Monthly Statements

3.5.12. 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 unauthorized parties. (Travel Management Company must apply the POPIA prescripts.)

3.6. Account Management

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

3.6.2. The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the Compensation Fund's account.

3.6.3. TMC must provide the Compensation Fund with the approved appointment letter, that *entails all responsibilities of the Key Account Manager (KAM). The Key Accounts Manager must have acquired 5 years' working experience post completion of 3 three-year tertiary institution qualification at NQF level 7 in one of the following: Travel and/or Tourism Management, Hospitality Management, Logistics, Transportation Management, Business Administration/Marketing, Public Administration/Management.*

3.6.4. The necessary processes should be implemented to ensure good quality management and ensuring traveler satisfaction at all times.

3.6.5. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

3.6.6. Ensure that the Department of Employment and Labour's Travel Policy is enforced at all times.

3.6.7. The Service Level Agreement (SLA) must be managed, and customer satisfaction surveys conducted to measure the performance of the TMC.

3.6.8. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

3.7. Value Added Services

The TMC must provide the following value-added services but not limited to:

3.7.1. Destination information for regional and international destinations:

(a) Health warnings;
(b) Weather forecasts;
(c) Places of interest;
(d) Visa information;
(e) Travel alerts;
(f) Location of hotels and restaurants;
(g) Information including the cost of public transport;
(h) Rules and procedures of the airports;
(i) Business etiquette specific to the country;
(j) Airline baggage policy; and
(k) Supplier updates

3.7.2. Electronic voucher retrieval via web and smart phones;

3.7.3. SMS and Email notifications for travel confirmations;

3.7.4. Travel audits;

3.7.5. Global Travel Risk Management;

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

3.8. Cost Management

3.8.1. The National Treasury cost containment initiative and The Department of Employment and Labour's Travel Policy is establishing a basis for a cost savings culture.

3.8.2. It is the obligation of the TMC Consultant to advise on the most cost-effective option at all times.

3.8.3. The TMC plays a pivotal role in providing high quality travel related services that are designed to strike a balance between effective cost management, flexibility and Traveler satisfaction.

3.8.4. 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 Employment and Labour's Travel Policy to ensure that the Traveler reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

3.9. Quarterly and Annual Travel Review Meetings

3.9.1. Quarterly reviews are required to be physically presented by the TMC on all Compensation Fund travel activity in the previous three-month period. These reviews are comprehensive and presented to the Compensation Fund's Supply Chain Management, Auxiliary Services and Finance team as part of the performance management reviews based on the service levels. Online option to attend meetings is also accepted, (teams meeting).

3.9.2. The Travel Management Company must populate and report to Compensation Fund Management, namely: Support Services and the Office of the Chief Operations Officer (OCOO) on an annual basis.

3.9.3. Annual Reviews are also required to be presented to the Compensation Fund's Senior Executives when there is a new item to be presented.

3.9.4. The system must have accessibility for Management to review operational reports.

3.9.5. These Travel Reviews will include reporting on the following information without limitation to the following information:

(a) International and domestic flights
(b) International and domestic conferences
(c) Shuttle and car hire
(d) Accommodation
(e) After hours
(f) No shows
(g) Accident
(h) Deviations
(i) Open Vouchers
(j) Unpaid Invoices
(k) Outstanding Invoices
(l) Unused flight tickets

3.10. Office Management

13.10.1 The TMC to ensure high quality service to be delivered at all times to the Compensation Fund's Travelers. The TMC is required to provide Compensation Fund with at least eight (8) skilled and qualified human resources (Travel consultants) in possession of three (3) year Tertiary qualifications in Travel and/or Tourism Management, Hospitality Management, Logistics, Transportation Management, Business Administration/Marketing and Public Administration/Management at NQF level 6 or higher.

(a) Junior Consultants

(b) Intermediate Travel Consultants

(c) Senior Travel Consultants

(d) Travel Manager/Key Accounts Manager (Operational)

(e) Finance Manager / Branch Accountant

(f) Admin Back Office (Creditors / Debtors/Finance Processors)

(g) Strategic Account Manager

(h) System Administrator (General Admin)

(i) Receptionist

The TMC must provide a detailed list of resources (organogram) responsible for handling/managing the travel services to the Fund.

4. SCOPE OF WORK AND DELIVERABLES

The online Booking Solution Product Description

NO	Functionality	Description
1	Travel Management	The travel functionality must allow the traveler/ travel booker to request the travel arrangement in accordance with the applicable prescripts and instructions issued within the National Travel Policy Framework. This also includes changes and cancellations.
2	Approve	The functionality must certify that all travel arrangements requested by the Traveler/travel booker are approved as per each Compensation Fund's delegation of authority. SMS and email functionality is compulsory to ensure remote access for approval/s
3	Issue	This functionality is for the issuing of travel e-ticket, travel itinerary, and vouchers for accommodation, car rental, shuttle and carport services.
4	Bill-back	This functionality is for the payment of accommodation, car rental, shuttle and carport services. (Land Arrangement)
5	Payment	The functionality must pay airline tickets through travel lodge card immediately. Invoices for accommodation and car rental etc. must be uploaded into the system through bill-back functionality for verification and payment.
6	Trip management	The functionality must allow the official to view trip information according to configured user profile per institution.
7	My dashboard	The functionality must allow the official to view analytics and management information according to configured user profile.
8	Delegation of authority	The functionality warrants the travel approver to delegate another official when out of office. This functionality must also allow for escalation when travel arrangement is not approved within a certain time period.
9	Profile management	The functionality must ensure the official manages their own user profile and comply with POPIA. Manage loyalties and reward information according to National Treasury Travel Guidelines.

10	Management information and reporting	The functionality must allow Compensation Fund to view management information for reporting and monitoring purposes
11	Suppliers	The functionality must ensure that all GDS and non GDS supplier's stock or information is part of the system
12	Bookings Amendments	The functionality must allow the official to amend their own bookings before approval has been granted, then re-routed for approval
13	Expense Management	The Online Booking Tool must preferably have an expense management capability. The system should be able to send and save Tax invoices from TMC.
14	System administration	The functionality must ensure that Compensation Fund has the ability to manage users (including contractors and visitors) in the system, configure the workflow according to the institution delegation of authority, manage Compensation Fund's airline deal codes etc.
15	System Integration	The functionality must ensure that Compensation Fund has the ability to manage users (including contractors and visitors) in the system and manage the verification and payment of invoices per GL accounts as per the (Human Resources Management and Financial Management Systems).

5. FUNCTIONAL REQUIREMENTS

5.1. Listed below is a list of key generic and functional requirements outlining specific functions that must be performed by the proposed TMC system to meet business objectives.

5.1.1. Travel Management

No	Feature	Attributes	Requirement
1	Default Profile	Profile information	The system should automatically default to the traveler's profile category according to the policy rules with regards to class of travel (economy class, three (3)-star accommodation, group B car, etc.)
2	Capture booking	Booking information that includes flight, accommodation, car rental, shuttle and carport.	1. The system should be able to capture flight date and time, departing airport, destination airport, accommodation type, car rental group B, shuttle, and carport including the final destination. When the official has completed capturing a booking, the system must be able to also back date for afterhours bookings 2. The system should allow group travel bookings. 3. The system should alert the official regarding visa requirements, travel insurance, health warning requirements, travel alerts, airline baggage policy, etc

			4. The TMC should be able to capture the travel request on behalf of the Traveler. 5. Set unlimited number of rate rules (regional rates) and "rates tiers"
3	View	Flight tickets, accommodation, car rental, shuttle and carport.	The system should be able to display to the official all available stock of flights, accommodation, carport from GDS and non-GDS.
4	Default Cost Centres	Profile information	The system should authenticate the traveler and default to the Traveler's business unit.
5	Warning/Alert Duplicate booking	Booking information	The system should alert the official of other travel bookings that have already been loaded on the system (future bookings) duplicates and overlapping bookings
6	Warning/ Alert Airline ticket validity	Rules of the ticket	Once the selection of the airline ticket has been made by the official, the system should alert the official of how long the ticket will be reserved for and of any ticket rules
7	Restart	Booking information	Should travel booking expire or the travel booking is no longer active, the system should allow the official to clone the travel booking previously made
8	Individual Capture	Booking information	The system should allow individual Travelers to make travel bookings themselves (without the intervention of the travel booker or travel consultant)
9	Change booking	Booking information	The system should be able to allow the official to make changes to the travel booking with reasons
10	Attach	Motivation/authorization documents	The system should allow for attachment of supporting documents
12	Cancel booking	Booking information	The system should be able to allow the official to make cancellation to the travel booking with reasons
11	Attach	Ministerial/Motivation for trip, financial implication of the visit and the support delegation, including the roles of each official	For international travel requests, the system should allow the traveler to attach supporting documents (separate uploading portal for supporting documents)
12	Submit booking	Booking information	In the event that the traveler does not have time to make travel arrangements, the system should be able to allow the Traveler/travel booker to submit the travel request to the TMC
13	Alert/Budget	Budget information	Alert the Traveler/travel booker when budget is not available
14	Select	Suppliers' information	The systems should allow the user to select from the display suppliers

5.1.2. Travel Management-Air

No.	Feature	Attributes	Requirement
1	Default	Profile information	System should default to the Traveler's profile category according to the policy rules. It should only display the class of the air ticket that complies with the Traveler's profile category (e.g. Economy class, business class)
2	Default	Booking information	The system should automatically default to the departure airport, destination airport, date and time of flight as was captured
3	Changes	Booking information	The system must allow the Traveler/travel booker to make changes to the flight booking
4	View	Flight information	The system should display all available flights from different airlines to the chosen destination and the preferred time (as well as, flights two (2) hours before and two (2) hours after the preferred time)
5	Select	Booking information	The system should allow the Traveler/travel booker to select the preferred flights
6	View	Non-refundable and refundable tickets, cancellation fees apply, food not included, extra baggage costs, etc.	The system should display the rules of the flight ticket
7	Capture	Booking information	The system should allow the Traveler to rate the service of the airline. The system should allow the Traveler/travel booker to deviate from the Compensation Fund's travel policy with reasons and supporting documentation

5.1.3. Travel Management-Accommodation

No.	Feature	Attributes	Requirement
1	Default	Profile information	System should default to the Traveler's profile category according to the policy rules. It should only display the accommodation facilities that comply with the Traveler's profile category
2	Capture	Booking information	The system should allow the Traveler/travel booker to deviate from the Compensation Fund's travel policy with reasons and supporting documents
3	Capture	Supporting information	The system should allow the user to capture final destination of accommodation
4	Changes	Booking information	The system must allow the Traveler/travel booker to make changes to the accommodation booking
5	View	Booking information	Once the Traveler/travel booker has captured the destination, the system should be able to display the available accommodations within 5km radius
6	View	Accommodation information	The system should be able to display the rules and amenities of the accommodation facility

7	Select	Cancellation fees, non-smoking, WIFI, complimentary shuttle services, free parking, pool and meal voucher etc.	The system should allow prepayment if the supplier request for one
8	Capture	Prepayment	The system should allow the Traveler to rate the establishment, suppliers etc. based on the accommodation facility's service, comfort, cleanliness etc.

5.1.4. Group Travel Management-Accommodation

No	Feature	attributes	Requirements
1	Capture	Booking information	The system should cater for group arrangements according to the configured number of Travelers as per Department of Employment and Labour's travel policy. The system should allow both the TMC or travel booker to make travel arrangements for group travel. The system should be able to allow manual travel arrangements based on blocked booking/negotiated rates

5.1.5. Travel Management-Car Rental

No	Feature	Attributes	Requirement
1	Default	Profile information	The system should default to the Traveler's profile category according to the travel policy rules. It should only display the car rental group that complies to the Traveler's profile category
2	Capture	Rating information	The system should allow the Traveler to rate the car rental company's service
3	Capture	Booking information	The system should allow the Traveler/ travel booker to deviate from the travel policy with reasons and supporting documentation. The system should automatically default to pick up point and delivery point (usually an airport).
4	Amend	Profile information	The system must allow the Traveler/travel booker to amend the car rental booking
5	Select	Rating information	The system should allow the Traveler/travel booker to request approval for fuel card to be included in the service
6	Select	Booking information	The system should allow the traveler/travel booker to select pick –up/ drop-off point or delivery point in cases where no flights are involved

5.1.6. Travel Management-Shuttle services

No	Feature	Attributes	Requirement
1	Select	Pick-up and Drop-off point	The system should be able to allow the traveler/travel booker to select the pickup point and drop off point
2	Change	Booking information	The system should allow the Traveler/travel booker to make changes/cancellations
3	Capture	Rating information	The system should allow the Traveler/travel booker to rate performance of driver, suppliers etc. based on the trip

5.1.7. Approval

No	Feature	Attributes	Requirements
1	Submit booking	Booking information	The system should allow the Traveler/travel booker to submit the booking to the authorizing official
2	Budget recommendation	Budget Verification	The system should allow finance to approve/decline trip requests in line with budget availability
3	Workflow	Booking information	The system should allow the Travel Officials to recommend/not recommend travel bookings and allow the authorizing official to approve/reject the booking
4	Configuration	Delegation of authority	The system should allow configuration according to the delegation of authority within the Compensation Fund
5	SMS/Email notification	SMS/Email notification	The system must send an SMS and Email notification to traveler/travel booker or authorizing official pertaining to the travel booking. The approver must be able to reply by means of sms and email to approve or decline a booking.

5.1.8. Issue

No	Feature	Attributes	Requirement
1	Issue	Travel Itinerary	Once the travel booking has been approved, the system must be able to issue travel itinerary for the Traveler/travel booker
2	Issue	e-ticket	Once the travel booking has been approved, the system must be able to issue e-ticket for airline.

			The e-ticket for airline must also be available on a mobile device (SMS and email)
3	Issue	Vouchers	Once the travel booking has been approved, the system must be able to issue accommodation, car rental, shuttle vouchers
4	Re-issue	Travel documents	The system should allow the Traveler/travel booker to re-issue vouchers, e-ticket and travel itinerary

5.1.9. Bill Back

No	Feature	attributes	Requirement
1	Attach	Invoices	The TMC should be able to upload the invoice and credit notes for accommodation, car rental, shuttle, and carport services

5.1.10. Payment

No	Feature	Attributes	Requirement
1	Payment	Flight ticket	The system should be able to immediately pay the actual flight ticket amount and insurance via travel lodge card, once approval has been granted.
2	Payment	Invoice Information	The system should be able to immediately generate invoice and upload with supporting documents of the flight for replenishment of the lodge card.
3	Payment Flight service Fees	Invoice Information	The system should be able to immediately generate invoice and upload with supporting documents for payment of flight service fees.
4	Payment Land Arrangement	Invoice information	The system should be able to immediately generate invoice and upload with supporting documents for accommodation and car rental, shuttle, and carport via the travel (Bill-Back).
5	Interface	Payment information	The system should be able to interface with the payment systems used by the Fund

5.1.11. Booking Request Monitoring

No	Feature	Attributes	Requirement
1	View	Travel information	The system should be able to display all trip information of the

			Traveler as well as the status of approval

5.1.12. My Dashboard

No	Feature	Attributes	Requirement
1	View	Management information	The system should be able to provide the user role-based dashboard (analytics, management information etc)

5.1.13. Delegation of Authority

No	Feature	Attributes	Requirement
1	Assign	Official information	The system should allow the approver to assign another official for delegation of authority purposes
2	Assign	Assignment/ escalation	The system should allow out of office, re-assignment and escalation functionality
3	Assign	Super-User	The system must provide for an override approval facility where the delegated authority will be able to override and approve in the absence of the designated approver

5.1.14. Profile Management

No	Feature	Attributes	Requirement
1	Integrate	Human resource information	The system must be able to integrate with the Compensation Fund's human resource system
2	Create	Profile information	The system should allow the user and system administrator to create a user profile
3	Assignment	Roles	The system should allow the system administrator to assign user role
4	Change	Profile information	The system should allow the user or system administrator to make amendments to the user profile details
5	Capture	Profile information	The system should allow the user to capture for special needs. (Dietary and People living with disability)
6	Capture/Change	Loyalties and rewards information	The system should allow the Traveler to include their applicable loyalties and reward Programmes
7	View profile	Profile Information	The system should allow the user to view user's profile, including user official level/ designation, economy/ business

			class of travel (car rental vehicle category), class of accommodation
8	Create temporary profile	Visitors / Consultants information	The system should allow to create a temporary profile for a visitor with start and end date, it must be automatically deactivated on the end date

5.1.15. Management Information and Reporting

No	Feature	Attributes	Requirement
1	Reports	Management information	The system should provide standard reports, statutory reports, ad-hoc reports and customizable reports etc.
2	Reports	Management information	The system should allow the user and Management to download the report in any format Excel, PowerPoint, PDF, etc. in any version

5.1.16. Suppliers

No	Feature	attributes	Requirement
1	View	Available stock on airline accommodation, car rentals/ shuttle information and carports	The system should be able to interface with any GDS or LDS or any other individual equivalence The system should be NDC capable for airline stock. The system should allow the upload of any inventory that is on a GDS or LDS, this includes institution specific negotiated rates The system should be NDC capable for airline stock

5.1.17. System Administration

No	Feature	Attributes	Requirement
1	Maintenance	Booking information	The system should allow the system administrator of Compensation Fund to manage users (Traveler/ travel booker, visitors and TMC). The system should allow the system administrator to configure the number of officials per Compensation Fund's group (group travel arrangement)
2	Maintenance	Delegation of authority information	The system should allow the system administrator to configure the workflow according to the Compensation Fund's delegation of authority

5.1.18. Interfaces/Integration

The following table depicts information required by the TMC from and to Compensation Fund

No	Interfaces/Integration	Description
1	Human Resource system	The personal information of the Traveler/ travel booker (Persal)
2	Budget/ Financial Systems	The available cost Centre budgets (SAP)
3	Travel lodge card suppliers	Account reconciliation information (SAP)
4	GDS/LDS/other equivalent	The available stock (live) in airline, accommodation, car rental and shuttle (GDS/LDS/other equivalent)
5	Central supplier database (CSD) information	The information about all suppliers' information on all spheres of government

6. PRICING MODEL

The Compensation Fund requires bidders, to propose pricing model being the transactional fee and management fee model.

Refer to Annexure A: Pricing Schedule for Transaction fees and Management fees

6.1.1. The transaction fee must be a fixed amount per service and transaction type. Management fees must be fixed per month, however, variable costs on management fees should be charged as and when they are incurred.

i. Off-site option **(Bidders must complete Template 1 and 2 for Online and Traditional bookings)**

6.1.2. The successful bidder shall be required to bill in accordance with their bid rates for the entire duration of their contract. The bid pricing schedule is attached as Annexure A.

7. BID SUBMISSION REQUIREMENTS

The bidder has to submit a bid response documentation pack and it must be at the correct physical address and within the stipulated date and time as specified in the "Invitation to Bid" cover page, and the bidders are expected to submit the following:

(a) One original in two separate batches (1) Technical (2) Price proposal
(b) Two (2) exact copies of the original technical and price proposals
(c) No electronic version of above required documents will be accepted.
(d) No loose pages or documents from any of the above proposals will be considered.

8. BID EVALUATION STAGES

8.1.1 The bid evaluation process consists of five (5) phases that are applicable according to the nature of the bid as defined in the table below.

Phase	Description	Applicable for this bid
Phase 1	Administrative Compliance Requirements	**YES**
Phase 2	Mandatory requirements	**YES**
Phase 3	Evaluation on functionality	**YES**
Phase 4	Presentation	**YES**
Phase 5	Evaluation on Price and Preference or Specific goals	**YES**

N.B. The bidder must qualify for each phase to be eligible to proceed to the next stage of the evaluation.

PHASE 1: ADMINISTRATIVE COMPLIANCE REQUIREMENTS

If the Bidder failed to comply with any of the administrative compliance requirements, or if the Fund is unable to verify whether the administrative compliance requirements are met, then the Fund reserves the right to –

(a) Reject the bid and not evaluate it, or

(b) Accept the bid for evaluation, on condition that the Bidder must submit within seven (7) working days after notice, any supplementary information to achieve full compliance, provided that the supplementary information is administrative and not substantive in nature.

(c) The bidder must be registered on the Central Supplier Database (CSD) and provide their unique CSD registration number.

(d) Provide Valid Tax Compliance Status - Pin issued by South African Revenue Services (SARS)

(e) Provide Valid COIDA Letter of Good Standing

(f) Provide completed and Signed Standard Bidding Documents -

- SBD 1 and 4 should be enclosed on the Technical Proposal envelope

(g) If the bidder is a Consortium / Joint Venture, it must submit Consortium / Joint Venture Agreement that is signed by all parties as acceptable proof of the existence. The Consortium / Joint Venture must clearly set out the roles and responsibilities of the

Lead Partner and the Consortium / Joint Venture. 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 Consortium / Joint Venture.

(h) Requirements stipulated above in paragraph (c) to (g) must be provided by all entities submitting bids as part of a consortium or joint venture.

Note: Failure to meet any of the above - mentioned administration compliance requirements within seven (7) working days after notice will lead to automatic disqualification of the bid proposal.

PHASE 2: MANDATORY REQUIREMENTS

Purpose: Technical Mandatory requirements are the absolute minimum requirements to fulfil the Business Objective.

INSTRUCTION AND EVALUATION CRITERIA

(a) The bidder **must comply with ALL the requirements by providing substantiating evidence** in the form of documentation or information, Failure to provide information will be regarded as **"NOT COMPLY".**

TECHNICAL MANDATORY REQUIREMENTS	**Substantiating evidence of compliance (used to evaluate bid)**	**Evidence reference (to be completed by bidder)**
The bidder must be a member of Association of South African Travel Agents (ASATA). Valid certificate of membership must be submitted as proof with the bid.	• Valid certificate of membership (ASATA) must be submitted as proof, confirming the bidder's active membership as at the tender closing date;	
The bidder must be a member of Association of International Air Transport Association (IATA). Valid certificate of membership must be submitted as proof with the bid. **N.B. In the event that a third-party certification is used, the bidder must submit such certification and proof of a third-party agreement.**	• Valid certificate of membership (IATA) must be submitted as proof, confirming the bidder's active membership as at the tender closing date.	

- The bidder must comply with **ALL the MANDATORY REQUIREMENTS** in order for the bid to proceed to the next stage of the evaluation.

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- All copies of certificate must be certified and dated and must not be older than six (6) months at the closing date of the bid.

PHASE 3: EVALUATION ON FUNCTIONALITY

a) Bids will be evaluated strictly according to the bid evaluation criteria set out below.

b) A minimum threshold of 70% for the technical elements must be scored; otherwise, the bid will be regarded as non-responsive and be disqualified.

c) Bids that do not meet the technical threshold score of 70% will not be considered for further evaluation on Presentation.

TECHNICAL SCORECARD

No	Requirement	Criteria	Weight
1	**Reference Letters from either a private or government entity in South Africa:**	**<u>Evidence:</u>** Provide a letter or letters of affirmation from customers to whom the **Online** service was delivered, The letter **must** include: • The type of service rendered by the Bidder; • Client company letter head and logo; • The letter must be signed by Key Account Manager from the client company and include contact details from the client company; • The letter must reflect that services were rendered at a satisfactory level: • Duration with a minimum of three (3) years rendered services at a company clearly indicating the start and end date of the contract. **Note:** **The reference letters not conforming to the above mentioned five (5) requirements will not be considered.** **<u>Scoring Criteria:</u>** 0 = No information provided, or	20

		reference letters do not meet the above requirements. 1 = One (1) valid letter meeting the above requirements. 2 = Two (2) valid letters meeting the above requirements. 3 = Three (3) valid letters meeting the above requirements. 4 = Four (4) valid letters meeting the above requirements. 5 = Five (5) or more valid letters meeting the above requirements.	
2.	**Number of years' experience in providing integrated online travel management services by the bidder.**	**Evidence:** Provide a letter or letters of affirmation from customers to whom the service was delivered. The letter **must** include: • The **systems/technology integrated** as part of the services; • Total number of years the integration/online travel system was rendered clearly indicating the start and end dates of the contract. • The letter must be in Client company letter head and logo; • The letter must be signed by Key Account Manager from the client company and include contact details from the client company; • The letter must reflect that services were rendered at a satisfactory level • The letter must reflect the successful integration of their system to the client's ERP **Note: The total number of years will be determined by summing the periods reflected in all valid letters that meet the above criteria." the letters issued in the same period will not be counted twice, letter with longer period will be considered**	20

		Scoring Criteria: 0 = No information provided and does not meet the above requirements. 1 = One (1) year of rendering online integrated service 2 = Two (2) years of rendering online integrated service 3 = Three (3) years of rendering online integrated service 4 = Four (4) years of rendering online integrated service 5 = Five (5) or more years of rendering online integrated service	
3.	**Financial Management:**	**Evidence:** The Bidder must provide Standard Operating Procedures (SOPs)/Process Flow to explain how they will manage the processes that are outlined in the requirements **Requirements** • Describe how you will implement the negotiated rates and maximum allowable rates established by the National Treasury. • Describe how you will manage the 30-day bill-back account facility. • Describe how pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities. • Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to Compensation Fund • Describe credit card reconciliation process, timing and deliverables (if applicable).	15

		Scoring Criteria: 0 = No SOPs/Process Flow provided or SOPs provided describing none of the five (5) required processes. 1 = SOPs/Process Flow describing one of the five (5) required processes 2 = SOPs/Process Flow describing any of the two (2) required processes 3 = SOPs/Process Flow describing any of the three (3) required processes 4 = SOPs/Process Flow describing any of the four (4) required processes 5 = SOPs/Process Flow describing all the five (5) required processes	
4.	**After-hours and emergency services** The bidder should have capacity to provide reliable and consistent after hours and emergency support to traveller(s). Provide Standard Operating Procedure (SOP)/Process Flow of your after-hour support.	**Evidence:** The Bidder must provide Standard Operating Procedures (SOPs)/Process Flow to explain how they will manage the processes that are outlined in the below requirements • How it is accessed by Travellers, • Where it is located, centralized/regionalised, in-country (owned)/outsourced etc. • Is it available 24/7/365 • Reminders to Compensation Fund to process bookings within 24 hours to reduce queries on invoices • Turnaround time for confirming after hours' requests and sending vouchers **Note: The process should be explicit and aligned to the above requirements** **Scoring Criteria:** 0 = No SOPs/Process Flow provided or SOPs provided describing none of the five (5) required processes. 1 = SOPs/Process Flow describing one of the five (5) required processes	10

		2 = SOPs/Process Flow describing any of the two (2) required processes 3 = SOPs/Process Flow describing any of the three (3) required processes 4 = SOPs/Process Flow describing any of the four (4) required processes 5 = SOPs/Process Flow describing all the five (5) required processes	
5.	**Technology, Management Information and Reporting**	**<u>Evidence:</u>** The Bidder should provide detailed description of technology, standard operating procedures (SOPs) and reporting products (dummy reports) proposed for the client. The bidder must also give an indication if reports can be customized. • Describe the proposed booking system e.g. Global Distribution System (GDS), Online Booking Tool (OBT) by clearly outlining Solution modules that Comes with the OBT and SBT e.g. Bookings, Approvals, Safety & Risk, Payments and Expense, Reporting and analytics and Mobile Applications. • Describe how travel consultants' access and book web airfares i.e. non-GDS inventories (low cost carriers/ consolidators), and hotel web rates. • Describe how you will manage data and management information such as traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, transaction level data, etc. • Provide a description of all technology and reporting products proposed for Compensation Fund. Give actual examples of such reports • Describe the compatibility of your online solution to fully integrate into Compensation Fund's ERP systems. Indicate the turnaround time to complete this process and a	15

		breakdown of the expected cost that will be associated with it. **<u>Scoring Criteria:</u>** 0 = No detailed description of technology, SOPs provided and reports provided describing none of the five (5) required processes. 1 = Detailed description of technology, SOPs and reports provided describing one of the five (5) required processes 2 = Detailed description of technology, SOPs and reports provided describing two (2) of the five (5) required processes 3 = Detailed description of technology, SOPs and reports provided describing three (3) of the five (5) required processes 4 = Detailed description of technology, SOPs and reports provided describing four (4) of the five (5) required processes 5 = Detailed description of technology, SOPs and reports provided describing all the five (5) required processes	
6.	**Experience of Key Accounts Manager**	**<u>Evidence:</u>** CV and certified copies of qualifications must be provided • The Key Accounts Manager must have acquired a minimum of 5 years' working experience post completion of 3 three-year tertiary institution qualification at NQF level 7 in one of the following: Travel and/or Tourism Management, Hospitality Management, Logistics, Transportation Management, Business Administration/Marketing and Public Administration/Management.	10

		Note: Only certified copies not older than 6 months at the date of closing of the bid will be considered. ***Where no formal qualification is attached to the CV, such CV will not be evaluated.*** ***A total score of 0 will be awarded where the KAM has less than 5 years of experience post-obtaining the formal qualification*** **<u>Scoring Criteria:</u>** 0 = No formal qualification provided and Less than 5 years of experience 1 = 5 years of experience 2 = 6 years of experience 3 = 7 years of experience 4 = 8 years of experience 5 = 9 and above years of experience	
7.	**Experience of the Travel Consultants**	**<u>Evidence:</u>** Copies of 8 CV's and certified qualifications must be provided • The travel consultants must have acquired a minimum of 3 years' working experience post completion of 3 three-year tertiary institution qualification at NQF level 6 in one of the following: Travel and/or Tourism Management, Hospitality Management, Logistics, Transportation Management, Business Administration/Marketing and Public Administration/Management. **Note: Only certified copies not older than 6 months at the date of closing of the bid will be considered. CV's submitted without qualifications will not be considered.**	10

		Where no formal qualification is attached to the CV, such CV will not be scored ***A total score of 0 will be awarded where the consultant has less than 3 years of experience post-obtaining the formal qualification*** **<u>Scoring Criteria:</u>** 0 = No formal qualification provided and Less than 3 years of experience. 1 = 3 year of experience 2 = 4 years of experience 3 = 5 years of experience 4 = 6 years of experience 5 = 7 and above years of experience **NB!!Each consultant will be evaluated individually and the sum total of the cv's received and assessed will be calculated to determine the overall final score. Only the cv's meeting the requirements will be scored.** **Total score of all evaluated CVs ÷ 8 (required number) = Final overall score** **points for eligible travel consultants shall be apportioned on a pro – rata basis**	
Total Score			**100**
Minimum threshold for technical proposal			**70%**

NB: All bidders with a score of 70% or more on evaluation on functionality will qualify to be evaluated further on Phase 4: Presentation. All bidders with a score of less than 70% will be disqualified and not considered for evaluation on Phase 4: Presentation

PHASE 4: PRESENTATION

NB: All bidders shall be allocated 2 hours per bidder for their presentation.

All bidders who score 70% or more on the presentation phase will be considered for the next phase, Phase 5 (Evaluation on Price and Specific goals)				
No	**Evaluation Criterion**	**Weight**	**Rating Scores**	
1	**OBT Reservation (Online)**	**50%**	**Scoring Criteria**	
1.1	**Onboarding of users on OBT**	20%	• Profile development and management on the system • System integration, Cost center and budget alignment • System Administration	• 0 of the 4 scoring criteria items reflected in the presentation = 1 -Poor • 1 of the 4 scoring criteria items reflected in the presentation = 2 - Fair • 2 of the 4 scoring criteria items reflected in the presentation = 3 - Satisfactory • 3 of the 4 scoring criteria items reflected in the presentation = 4 – Good • 4 of the 4 scoring criteria items reflected in the presentation = 5

				- Excellent
1.2	**Demonstrate Online Booking Management & Process Integration**	30%	• Management of All Online Bookings • Online Travel Request Booking Process Flow • Notification Workflows • Automated Order Number interface with GL accounts • System Configuration and integration file with ERP and HR system (dummy integration) • System maintenance and Administration	• 0 to 1 of the 6 scoring criteria items reflected in the presentation = 1 -Poor • 2 of the 6 scoring criteria items reflected in the presentation = 2 - Fair • 3 of the 6 scoring criteria items reflected in the presentation = 3 - Satisfactory • 4 to 5 of the 6 scoring criteria items reflected in the presentation = 4 - Good • 6 of the 6 scoring criteria items reflected in the presentation = 5 - Excellent
2	**OBT REPORTING CAPABILITIES**	**30%**	•	
2.1		30%	Management of Information and Reporting: • Real-Time Access to Travel Data & Insights • Cost Saving, royalties and rewards information • Traveler Behavior Trend	• 0 - 1 of the 7 scoring criteria items reflected in the presentation = 1 - Poor • 2 – 3 of the 7

			Analysis • Generate Monthly Information Services (MIS) reports • Dashboard View & Report Configuration • Out-of-Policy Bookings Tracking • Cost Analysis and travel spend per cost center	scoring criteria items reflected in the presentation = 2 - Fair • 4 – 5 of the 7 scoring criteria items reflected in the presentation = 3 - Satisfactory • 6 of the 7 scoring criteria items reflected in the presentation = 4 – Good • 7 of the 7 scoring criteria items reflected in the presentation = 5 - Excellent
3	**Traveler Mobile application**	**20%**		
3.1	**Demonstrate Mobile Application Capabilities**	20%	• Traveler Notification Management (Messaging) • Mobile booking and Approval capability • Traveler Itinerary & Booking Confirmations (• Urgent Alerts & Traveler Health and Safety Information • Full Mobile Booking Confirmation Functionality • Emergency/After Hour assistance • Traveler booking tracking capability	• 0 to 1 of the 7 scoring criteria items reflected in the presentation = 1 - Poor • 2 – 3 of the 7 scoring criteria items reflected in the presentation = 2 - Fair • 4 – 5 of the 7 scoring criteria

				items reflected in the presentation = 3 - Satisfactory • 6 of the 7 scoring criteria items reflected in the presentation = 4 – Good • 7 of the 7 scoring criteria items reflected in the presentation = 5 - Excellent
Total Presentation score		**100%**		
Threshold		**70%**		

All bidders who score less than 70% out of 100% on Phase 4: Presentation will not be considered for further evaluation on Price and Specific Goals.

PHASE 5: PREFERENCE POINT SYSTEM (PRICE AND SPECIFIC GOALS)

- *SBD 3.3 and 6.1 forms should be enclosed on the Pricing Proposal envelope.*
- SBD 6.1 form as a requirement in above paragraph (f) must be accompanied by proof or documentation required in terms of this bid to claim points for specific goals as specified in this bid.

Only Bidders that have met the 70% threshold in Phase Four (4) will be evaluated in Phase Five (5) for Price and Specific Goas as follows:

In terms of Regulation 5 of the Preferential Procurement Regulations (2022), the following formula must be used to calculate the points out 90 for price in respect of a bid with a Rand value above R50 million, including all applicable taxes:

i. **Stage 1 – Price Evaluation (90 Points)**

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

Where -

Criteria	Points
Price Evaluation $Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$	90

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender

ii. **Stage 2 – Specific Goals or Preference Evaluation (10 Points)**

Specific Goals or Preference Points Allocation					
Specific goals	**Points out of 10 (90/10)**	**Required Proof (as declared in SBD 6.1)**	**Ownership %**	**Points Claimed**	**Proof attached (Y/N)**
Promotion of Women owned enterprises	4	(a) Certified copy of the founding documentation of the company with which the ownership is listed (b) Certified copy of identity document such as SA ID book (c) Latest Central Supplier Database (CSD) report with women as owners/shareholders of the company.			

Promotion of enterprises owned by people with disability	1	(a) Certified copy of the founding documentation of the company with which the ownership is listed (b) Signed letter from a duly authorized medical practitioner (c) Latest Central Supplier Database (CSD) report with people with disability as owners/shareholders of the company			
Promotion of enterprises owned by youth	3	(a) Certified copy of the founding documentation of the company with which the ownership is listed (b) Certified copy of identity document such as SA ID book (c) Latest Central Supplier Database (CSD) report with youth as owners/shareholders of the company			

Promotion of local enterprises	2	Within Gauteng Province = 2 points Outside Gauteng Province = 0 points	(a) Certified copy of the founding documentation of the company with which the ownership is listed (b) Proof of residence under the name of the tenderer (c) Latest Central Supplier Database (CSD) report with supplier address			
Maximum points	**10**					

- Preference Points for women, people with living disability and youth ownership shall be measured by calculating the pro - rata percentage of ownership of the bidder for each specific goal mentioned in this paragraph.
- Preference Points for promotion of local enterprises shall be wholly apportioned to bidders that are based or situated in the geographical area specified in the above diagram.
- The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act (PPPFA), the bid must be awarded to the bidder scoring the highest points.
- Failure on the part of a bidder to submit proof or documentation required in terms of this bid to claim points for specific goals with the bid, will be interpreted to mean that preference points for specific goals are not claimed.
- The Fund reserves the right to request a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to specific goals, in any manner required by the Fund.

9. RULES OF BIDDING / SPECIAL CONDITIONS CONTRACT

a) The bid validity period is 120 calendar days starting from the closing date of the bid advertisement and any bidder not responding to extension of validity will be disqualified.

b) The Fund will enter into a single contract with a single company for the delivery of the work set out in these terms of reference. It will be expected that the contracted company possess necessary expertise to render services set out in these terms of reference.
c) Documents of subcontractors will not be considered for evaluation purposes.
d) The service provider will be required to sign a non-disclosure agreement with the Fund.
e) The information of the Fund must be treated with confidentiality.
f) Compliance pin issued by SARS must be submitted by all South African companies submitting bids as part of a consortium or joint venture.
g) Foreign company providing proposals must become familiar with local conditions and laws, and take them into account in preparing their proposals.
h) Bids must be submitted in South African Rands, on a fixed price basis.
i) The cost of preparing bids and of negotiating the contract will not be reimbursed.
j) The Fund is not bound to accept any of the bids submitted.
k) The Fund reserves the right to withdraw or amend these terms of reference by notice in writing to all parties who have received the terms of reference.
l) The Fund reserves the right to call interviews with short-listed bidders before final selection.
m) The Fund reserves the right to negotiate price with the preferred bidder.
n) The bidder may ask for clarification on these terms of reference up to close of seven (7) business days before the deadline for the submission of bids. Any request for clarification must be submitted in writing by email and will be replied to in writing by email. SCM.enquiries@labour.gov.za
o) The Fund reserves the right to return late bid submissions unopened.
p) The Fund reserves the right not to evaluate bids that are not submitted in the format specified in these terms of reference. Failure to submit the bids in the specified format may invalidate your bid.
q) A company may not contact the Fund or any member of the bid committees on any matter pertaining to their bid from the time when bids are submitted to the time the contract is awarded. Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any matter, may result in rejection of the bid concerned.
r) The deadline for submission of bids is 11h00 on the bid closing date.
s) The required service must commence one week after the official order has been placed and contract signed.
t) Incomplete tenders, late tenders and tenders received telegraphically or per facsimile will not be accepted.
u) The personnel of the civil company shall adhere to the security regulations of the Fund. This entails issues like locking all valuables and computer equipment, removal of any computer equipment from the Department's premises.

v) A two-envelope system **MUST** be used, with one envelope containing only the price proposal and the other envelope containing the technical proposal, and all other tender documents.

w) The Compensation Fund will conduct pre-screening / vetting process of bidders before appointment of the successful bidder.

x) Bids must be hand-delivered to:

Compensation Fund
ABSA Towers building
Ground floor
230 Lilian Ngoyi street
Pretoria
0001

y) **Bids must be clearly marked:**

(a) Bid Number:
(b) Bid Description:
(c) Name of the institution: Department of Employment and Labour (Compensation Fund)
(d) Attention: Tenders and Contracts

10. BRIEFING SESSION

Non - Compulsory briefing session will be held as follows - via MS Teams

Date and time: 20/11/2026 & 10:00 - 11:00

~~**Compensation Fund**~~
~~**ABSA Towers building**~~
~~**Ground floor**~~
~~**230 Lilian Ngoyi street**~~
~~**Pretoria**~~
~~**0001**~~

Join: https://teams.microsoft.com/meet/341206527191235 0?p=qvYyKCh8binRtSs30A
Meeting ID: 341 206 527 191 235 0
Passcode: Kd6Lt7E7

ENQUIRIES

All bid related enquiries must be sent in writing and emailed to the following email address:

SCM.Enquiries@LABOUR.gov.za

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: ……BID NO: **TCF03:2026/27**

CLOSING TIME **11:00 am** CLOSING DATE**: 07/12/2026**

OFFER TO BE VALID FOR **120 DAYS** FROM THE CLOSING DATE OF BID.

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

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R……..……...

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

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

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

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

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT

TOTAL: **R.....**

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

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT

TOTAL: **R.....**

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

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

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

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

……

……
……
……

*__[DELETE IF NOT APPLICABLE]__

Any enquiries regarding bidding procedures may be directed to the –

SCM.enquiries@labour.gov.za

SDB 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

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

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

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

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

2.3.1 If so, furnish particulars:

……
……
……

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

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

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

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

3 GENERAL DECLARATION

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

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

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

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

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

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

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

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

I CERTIFY THAT THE ABOVE IS CORRECT.

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

…… ……

Signature Date

…… ……..

Designation Name of bidder

SBD 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

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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

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

b) 90/10 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	90
SPECIFIC GOALS	10
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 90/10 PREFERENCE POINT SYSTEMS

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

90/10

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Promotion of Women owned enterprises	**4**			
Promotion of enterprises owned by people with disability	**1**			
Promotion of enterprises owned by youth	**3**			
Promotion of local enterprises	**2**			
Total	**10**			

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**: …… …… …… ……

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

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

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

TABLE OF CLAUSES

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

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 X 85, 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 organization acting on behalf of the Department.

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 8 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 those 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 10 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 fulfilment 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

5.1 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 cancelling 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 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.

23.5 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 antidumping 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

(a) The purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or wilful 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 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.