

GEORGE MUNICIPALITY



BID DOCUMENT NUMBER: DPD040 OF 2023

**TENDER FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PREPARE
AN INTEGRATED ECONOMIC GROWTH STRATEGY AND
IMPLEMENTATION PLAN**

ENQUIRIES: DR K HAARHOFF
YORK STREET
GEORGE
(044) 801 9111 (x1256)

ISSUED BY:
THE CITY COUNCIL
MUNICIPALITY OF GEORGE
P O BOX 19
GEORGE
6530

SUMMARY FOR TENDER OPENING PURPOSES

NAME OF BIDDER:

SUPPLIER DATABASE NO.: MAAA

TOTAL PRICE (INCLUDING VAT)

R

PREFERENCES CLAIMED FOR:

B-BBEE Status Level of Contributor:

Preference Points Claimed:

B-BBEE certificates submitted with the tender document MUST be VALID ORIGINAL B-BBEE CERTIFICATES or VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES

TENDER CLOSES AT 12H00 ON TUESDAY, 25 JULY 2023

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BIDDER CONTACT DETAILS

This information shall be used for any correspondence or contact with the bidder.

Please indicate whether you want to receive any correspondence via e-mail or send to your postal address by registered mail.

Name of Bidding Company:		Mark choice of correspondence with X
Postal Address:	..... ..... ..... ..... Postal Code:	
E-mail Address:	.....
Telephone Number:	.....
Cellular Number:	.....
Facsimile Number:	.....

TENDER NOTICE AND INVITATION TO TENDER

Tenders are hereby invited for the **Appointment of a service provider to prepare an Integrated Economic Growth Strategy and Implementation Plan.**

Tenders word hiermee ingewag vir die **Aanstelling van 'n diensverskaffer om 'n Geïntegreerde Ekonomiese Groei Strategie en Implementeringsplan voor te berei.**

Completed tenders in a sealed envelope, clearly marked:

Voltooide tenders in 'n verseëelde koevert, duidelik gemerk:

Tender No. DPD040/2023 must be placed in the tender box at the George Municipality on the First Floor, Directorate: Financial Services, Supply Chain Management, Civic Centre, York Street, George by no later than **12:00 on Tuesday, 25 July 2023.** Tenders will be opened on the same day in the Committee Room at 12:05. Late or unmarked tenders will not be considered. No posted tenders or tenders per fax or e-mail will be accepted.

Tender Nr. DPD040/2023 moet voor **Dinsdag, 25 Julie 2023 om 12:00** in die tender bus by die George Munisipaliteit op die Eerste Vloer, Direkoraat: Finansiële Dienste, Voorsieningskanaal Bestuursenheid, Burgersentrum, Yorkstraat, George geplaas word. Tenders sal om 12:05 dieselfde dag in die Komiteekamer oopgemaak word. Laat of ongemerkte tenders sal nie oorweeg word nie. Geen tenders per pos, faks of e-pos sal aanvaar word nie.

A compulsory briefing session will be held on Tuesday, 04 July 2023 at 10:00 via MS Teams. Tenderers must register per e-mail at Mr. Marc Jacobs with email address: mcjacobs@george.gov.za before 14:00 on Friday, 30 June 2023 in order to receive an invite for the compulsory information session.

'n Verpligte inligtingsessie sal op Dinsdag, 04 Julie 2023 om 10:00 via MS Teams gehou word. Tenderaars moet teen Vrydag, 30 Junie 2023 voor 14:00 per e-pos registreer by Mnr. Marc Jacobs by e-pos adres: mcjacobs@george.gov.za om 'n uitnodiging na die verpligte inligtingsessie te ontvang.

If tenderers do not register for attendance before 14:00 on Friday, 30 June 2023 with Mr. Marc Jacobs; tenderers will not be able to attend the compulsory information session, which will invalidate your tender.

Indien tenderaars nie voor 14:00 op Vrydag, 30 Junie 2023 vir bywoning by Mnr. Marc Jacobs geregistreer het nie; sal tenderaars nie die verpligte inligtingsessie kan bywoon nie, en sal u tender ongeldig wees.

Tender documents are available at a non-refundable deposit of R253-00 each from the Supply Chain Management Unit, First Floor, Civic Centre, York Street, George.

Tender dokumente is verkrygbaar teen 'n R253-00 nie-terugbetaalbare deposito elk by die Voorsieningskanaalbestuur Eenheid op die Eerste Vloer, Burgersentrum, Yorkstraat, George.

Tender documents are available on the George Municipality's website: www.george.gov.za, free of charge.

Tender dokumente is gratis op die George Munisipaliteit se webblad beskikbaar: www.george.gov.za.

Tenders will be evaluated and awarded as follows:

Tenders sal as volg ge-evalueer en toegeken word:

Stage 1: Functionality

Only tenders scoring a minimum of 70 out of 100 points in stage 1 will be further considered for evaluation in stage 2.

Fase 1: Funksionaliteit

Slegs tenderaars wat 'n minimum van 70 uit 100 punte behaal in fase 1, sal verder vir evaluering in fase 2 oorweeg word.

Stage 2: Price, B-BBEE Status and Specific Goals

Tenders will be evaluated and adjudication in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) Regulations 2022; the George Municipality's Supply Chain Management Policy as well as the George Municipality's Preferential Procurement Policy, where 80 points will be scored for price and 20 points for B-BBEE status and Specific Goals.

Fase 2: Prys, B-BBEE Status en Spesifieke Doelwitte

Tenders sal ge-evalueer en toegeken word in terme van die Wet op die Raamwerk vir Voorkeurverkrygingsbeleid (Wet 5 van 2000) Regulasies 2022; die George Munisipaliteit se Voorsieningskanaalbestuursbeleid sowel die George Munisipaliteit se Voorkeurverkrygingsbeleid, waar 80 punte ten opsigte van die prys en 20 punte ten opsigte van B-BBEE status en Spesifieke Doelwitte toegeken sal word.

For more information, contact Dr K Haarhoff at (044) 801 9111 (x1256).

Vir verdere inligting, kontak Dr K Haarhoff by (044) 801 9111 (x1256).

The Municipality reserves the right to withdraw any invitation to tender and/or to readvertise or to reject any tender or to accept a part of it. The Municipality is not bound to accept

Die Munisipaliteit behou die reg voor om enige versoek vir 'n tender terug te trek en/of te her-adverteer of enige tender te verwerp of gedeeltelik te aanvaar. Die

the lowest or any tender.

Munisipaliteit is nie daartoe gebind om die laagste of enige tender te aanvaar nie.

A TCS PIN for bidders' tax compliance information must be submitted with the tender document.

'n "TCS PIN" vir tenderaars se belasting nakoming inligting moet ingesluit wees by die tender dokument.

It will be required from the successful bidder to register on the Central Supplier Database (CSD).

Dit sal van die suksesvolle tenderaar verwag word om op die Sentrale Verskaffersdatabasis (SVD) te registreer.

**DR M GRATZ
MUNICIPAL MANAGER
GEORGE MUNICIPALITY
GEORGE
6530**

**DR M GRATZ
MUNISIPALE BESTUURDER
GEORGE MUNISIPALITEIT
GEORGE
6530**

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR DPD040/2023

BID NUMBER: DPD040/2023

CLOSING DATE: 25 JULY 2023

CLOSING TIME: 12:00

BID DOCUMENTS MUST BE DEPOSITED IN THE TENDER BOX SITUATED AT:

Supply Chain Management Unit
The Civic Centre (1st Floor)
York Street
GEORGE

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is open from 07:45 until 16:30, 5 days a week. Bids must be submitted on the Official Forms (NOT TO BE RE-TYPED).

B-BBEE certificates submitted with the tender documents MUST be a VALID ORIGINAL B-BBEE CERTIFICATE or VALID CERTIFIED COPY OF THE B-BBEE CERTIFICATE.

In the case of a Trust, Consortium or Joint Venture, they will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

This Bid is subject to the General Conditions of Contract (GCC) and, if applicable, any other Special Conditions of Contract.

This Bid will be evaluated and adjudicated according to the following criteria:

1. Relevant specifications;
2. Value for money;
3. Capacity to execute the contract;
4. PPPFA Regulations 2022.

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, PROVINCIAL GOVERNMENT OR MUNICIPALITY.

DETAILS OF TENDERER

Name of firm / entity / enterprise	
Trading as (if different from above)	
Postal address	Postal Code _____
Physical address	
Contact Details of the Person Signing the Tender:	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Contact Details of the Senior Manager Responsible for Overseeing Contract Performance:	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Contact Details of Person Responsible for Accounts / Invoices:	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____

DETAILS OF TENDERING ENTITY'S BANK

I/We hereby authorize the Employer/Client to approach all or any of the following bank/s for the purposes of obtaining a financial reference:

DESCRIPTION OF BANK DETAIL	BANK DETAILS APPLICABLE TO TENDERER'S HEAD OFFICE
Name of bank	
Branch name	
Branch code	
Name of Account Holder	
Account number	
Type of Account	

Signature of Tenderer: _____

Date: _____

THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

NAME OF TENDERER

Held at _____ on _____
(Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Tender to the George Municipality in respect of the following:

**TENDER NUMBER: DPD040/2023
APPOINTMENT OF A SERVICE PROVIDER TO PREPARE AN
INTEGRATED ECONOMIC GROWTH STRATEGY AND IMPLEMENTATION
PLAN**

2. Mr/Mrs/Ms _____

In his/her capacity as _____

and who will sign as follows: _____
(SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any and all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the enterprise mentioned above.

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			

THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

NAME OF TENDERER

Held at _____ on _____
(Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Tender to the George Municipality in respect of the following:

**TENDER NUMBER: DPD040/2023
APPOINTMENT OF A SERVICE PROVIDER TO PREPARE AN
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PLAN**

(list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium / Joint Venture):

and

and

2. Mr/Mrs/Ms _____

In his/her capacity as _____

and who will sign as follows: _____
(SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any and all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the **Consortium / Joint Venture** enterprise mentioned above.

3. The enterprise in the form of a consortium or joint venture accept jointly and several liability with parties under item 1 above for the fulfillment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the George Municipality in respect of the project described above under item 1.

4. The **Consortium / Joint Venture** enterprise chooses as its domicilium citandi et executandi for all purposes arising from this joint venture agreement and contract with the George Municipality in respect of the project under item 1:

(Physical Address)

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

JOINT VENTURE

Only to be completed if applicable

Name of Joint Venture:	
Names of Each Enterprise:	
(1) Name and Address of Enterprise:	
(2) Name and Address of Enterprise:	
(3) Name and Address of Enterprise:	
Has an original valid Tax Clearance Certificate been submitted for each enterprise?	YES <input type="checkbox"/> NO <input type="checkbox"/>
CIDB Registration Number(s), if any:	

Submit your Joint Venture Agreement together with this annexure. If no Joint Venture Agreement is submitted, your tender will be disqualified.

SIGNED ON BEHALF OF JOINT VENTURE _____

SCHEDULE OF SUB-CONTRACTORS

The Bidder shall list below the sub-contractors he/she proposes to employ for part(s) of the works/goods/services.

If any or all of the sub-contractor/s listed hereunder are not approved subsequent to acceptance of the Tender, it shall in no way invalidate the Tender or the Contract, and the Tendered unit rates for the respective items of work shall remain final and binding even if a sub-contractor/s not listed below is approved by the Employer.

Sub-Contractor's Name	Work Activities to be undertaken by the Sub-contractor/s	Work Recently Executed by Sub-contractor/s

TENDER SPECIFICATIONS

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO TO PREPARE AN INTEGRATED ECONOMIC GROWTH STRATEGY AND IMPLEMENTATION PLAN FOR THE GEORGE MUNICIPALITY

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1. INTRODUCTION AND BACKGROUND

The municipal area is 5191km² and spans the Southern Cape and Little Karoo regions of the Western Cape Province and is situated halfway between Cape Town and Port Elizabeth. The area administered by the George Municipality forms part of the larger Garden Route District Municipality's jurisdictional area. The George Municipal Area is bordered by the Oudtshoorn- and Mossel Bay Municipal areas (Western Cape province; Garden Route District) in the west and north-west and by the Dr Beyers Naude- and Kou-Kamma Municipal areas to the north, north-east and east (Eastern Cape province: Sarah Baartman District) and by the Knysna- and Bitou Municipalities (Western Cape province; Garden Route District) to the south and southeast. George Municipality administers a vast and diverse geographic area that extends from the dry and climatically extreme Little Karoo in the north, to the wetter more temperate Garden Route in the south. It is an area of considerable natural assets and beauty, including expansive mountains and forests, wilderness areas, a varied coastline, and extensive lakes, rivers and estuaries. Its natural assets include parts of the Garden Route National Park and the Baviaanskloof Wilderness Area. The municipal area also includes fertile farmlands and timber plantations along the coastal plain, fruit orchards in the Langkloof and arid grazing areas in the Little Karoo.

Three important national roads/ routes, the N2, N9 (R62) and N12, traverse the area, and George regional airport serves the Southern Cape and Little Karoo, including the neighbouring towns of Mossel Bay, Oudtshoorn, Knysna and Plettenberg Bay. The George city area is the primary urban centre of the Municipality. 84% of the municipal area's population is located here. Wilderness, Uniondale and Haarlem respectively host the bulk of the remaining urban population. 9% of the municipal area's population is rural. The rural population is declining evidenced by a negative population growth rate per annum of -4% between 2011 and 2016 (StatsSA, 2016)

George is identified, as the primary service centre of the entire garden route region, offering most of the higher order services and facilities one would expect to receive in a metropolitan city, including modern airport infrastructure. It houses the primary administrative and regional offices of companies (and government departments) offering services in the region but is also the heart of the vast tourism offering, and a thriving agricultural sector specialising in export quality berries and other agricultural produce used in beer making and other agri-processing activities. The Regional Scholarship and Innovation Fund (RSIF) also notes the importance of continuity of critical biodiversity areas. The Garden Route District IDP (2021 Review) supports investment in George based on its role as a regional node, but also places emphasis on the protection of the Garden Route (Southern Cape Coastal belt) as a global biodiversity hotspot (Conservation International) and part of the Cape Floristic Region (CFR) (World Heritage status: UNESCO and IUCN).

George has a significantly higher population (double) than the second largest town in the Garden Route, Mossel Bay (DSD2021). In 2019, George municipality contributed over 40% (R18.6 billion) of the GDPR to the economy of the Garden Route. The economy of George is more than twice as big as the next biggest Garden Route municipal economy of Mossel Bay, and almost four times as big as the third biggest Garden Route economy: Knysna. It is

worth noting that between 2015 and 2019, whilst the annual average economic growth rate of both the Garden Route and Western Cape averaged 1% during this period, George Municipality grew at an average annual growth rate of 1.5% per annum – indicative of a more vibrant and resilient economy (Western Cape Provincial Treasury – Municipal Economic Review (MERO) 2021). All relevant details about development within the municipality are contained in the Integrated Development Plan (IDP), which can be easily downloaded on the municipal website.

As a fast-growing city George needs to move from being a city that has a fragmented spatial and social economy, with pockets of excellence driven by market-led sporadic economic development, to a city that has a diversified and resilient economy, promoting spatial integration, connectivity, and mutually supportive economic and social systems. Global and national megatrends are having a fundamental impact on cities. Factors such as rapid urbanisation; rising inequality; resource constraints; and significant changes in technology, driven by the Fourth Industrial Revolution, are altering the way cities plan, build and grow their economies.

The Integrated Development Plan (IDP) and the Spatial Development Framework intends to address fragmented development and sets George on the path to evolve into a City of Excellence. An Integrated Economic Growth Strategy (IEGS) must now be developed as part of the IDP to details how economic excellence, growth and development can be achieved.

2. ECONOMIC PERFORMANCE OF GEORGE

The economy of George, like the economy of all cities, towns, and regions worldwide – has experienced a significant and deep contraction in 2020 due to the COVID-19 pandemic and the associated lockdown restrictions, which effectively shut down significant sectors and portions of the economy for a prolonged period. Some sectors of the economy, as at the end of 2021, are still not fully open and have been subject to further job-throttling restrictions due to the discovery of the omicron variant in Southern Africa. Figure 3.10, below, shows the national GDP growth rate between 2011 and 2020, showing that even prior to the COVID-19 pandemic, the economy was already tending towards an extremely low growth path, and subsequently fell deep into recession in 2020 – contracting by 6.4%.

the economy of the Western Cape (and each District within the Western Cape) has broadly tracked the growth trajectory of the economy of South Africa between 2012 and 2020. Significant constraints to the economy in the Western Cape and indeed George during this period have been load-shedding, currency exchange rate volatility, tourism decline due to the COVID-19 pandemic, water availability and drought. Except for 2016, 2018 and 2019, the economy of the Garden Route has outperformed the average for the Western Cape. A rebound in the growth rate of the economy is expected in 2021 and 2022, which follows of deep contraction of -6.3% in 2020, which is still very much subject to developments in the pandemic and impacts on the economy.

in 2019, George municipality contributed over 40% of the GDP to the economy of the Garden Route, and hence 3% to the economy of the Western Cape as a whole. The economy of George is more than twice as big as the

next biggest Garden Route municipal economy of Mossel Bay, and almost four times as big as the third biggest Garden Route economy: Knysna. It is worth noting that between 2015 and 2019, whilst the annual average economic growth rate of both the Garden Route and Western Cape averaged 1% during this period, George municipality grew at an average annual growth rate of 1.5% per annum – indicative of a more vibrant and resilient economy. The following are noteworthy trends in the economy of George, that took place between 2015 and 2020:

- a) The primary sector, notably agriculture and forestry, has declined in relative importance between 2015 and 2019, but did post significant growth in 2020. There was modest job creation in this sector, which contracted in 2020.
- b) The secondary sector has experienced mixed results – the manufacturing sector has grown by an average of 1.3% per annum between 2015 and 2019, while both electricity, gas, and water, as well as construction have contracted by between -1.2% and -1.3% per annum during this period. The manufacturing sector saw very modest job growth between 2015 and 2019, all of which were lost in 2020. Construction has seen significant job losses since 2015, which worsened in 2020.
- c) The tertiary sector of the economy has outperformed the other sectors, with finance, insurance, real estate, and business services growing at an average of 3.6% per annum between 2015 and 2019 and experiencing a moderate decline of -3.2% in 2020. Both wholesale, trade and catering, and accommodation, as well as finance have added on average over 1000 jobs a year to the economy of George between 2015 and 2019, although over 2000 of those jobs were lost in 2020.

The following summarizes the state of the economy and its spatial implications for George Municipality:

- a) The economy of George, standing at R18.1 billion in 2020 following a contraction of -6.4% from 2019, when the economy was R18.6 billion, is poised to stage a come-back with a forecast growth rate of 5.5% in 2021 and 3.1% in 2022. This recovery remains fragile and uncertain due to the ongoing pandemic.
- b) Despite moderate job growth between 2015 and 2019, much of this job growth was lost in 2020's recession. Notably, the growth in employment creation took place in the skilled and semi-skilled sectors of the economy, and the job losses took place in the unskilled sectors of the economy. This is indicative of a structural shift in the economy and a widening opportunity gap between skilled or semi-skilled labour and unskilled labour.
- c) George has benefitted from a "semigration" trend that has been enabled by flexible and remote working employees in the skilled sector or the economy to move from larger metropolitan cities to the garden route region which has many lifestyles, quality of life and cost of living benefits over the larger cities in South Africa. This brings in new rates-paying and

economically active persons into the municipal area, to the benefit of the economy and job creation over the medium term.

- d) The agricultural sector of the economy, despite its small contribution to the GDP, is a significant employer of unskilled workers, and forms the basis of the secondary and tertiary sector to grow and thrive. Hence, agricultural or forestry land must be preserved strictly for forestry or agricultural use as far as reasonably possible.
- e) The manufacturing sector of the economy is important and should be supported in providing appropriate urban industrial locations within George for industrial use. Expansion of industrial land should be timeously developed to prevent bottlenecks to the economy of George, but industrial land must also be utilized efficiently. The Gwayang LSDF makes provision for extensive future industrial and mixed-use development in the west of George, south of the R102.
- f) The construction sector of the economy, in distress for several years, should be supported to rebound specifically in providing affordable housing opportunities on well located land, as well as in providing expanded office & retail opportunities to the growing tertiary sector of the economy.
- g) To maintain its competitive advantages of tourism (such as being a golfing destination), lifestyle, quality of life, the George municipality must maintain and enhance its level of services, its urban management and importantly ensure that future development does not undermine the garden route sense of place.
- h) The tertiary sector of the economy, and specifically retail, finance and government services should continue to be encouraged to locate within the mixed-use urban nodes and corridors identified in the 2019 MSDF to increase intensity and density along these corridors, in support of the Go-George public transport system.

3. PURPOSE OF THE TERMS OF REFERENCE

The development, diversification and growth of the George economy has been identified as a strategic planning policy. The main objective of this project is to develop George Municipality's Integrated Economic Growth Strategy (IEGS) that should trigger the realization of the economic vision and translate identified strategic goals (themes) into programmes that will need to be implemented by various role players within pre-determined timeframes and budgets. The implementation plan is of critical importance and should be developed with clear Key Performance Indicators which can be pulled into the IDP and budget, as well as the performance scorecards and agreements of the responsible staff. Indicators should also be developed by which the wellbeing of the economy and society can be assessed over the period of the strategy and implementation plan. These indicators should be SMART and focus on the relevant sectors and interventions required.

The main intention of this terms of reference is to provide context for the appointment of a service provider to:

- a) Compile a guiding Economic Growth Strategy and Implementation Plan which will highlight what has to be done, by whom and when to progress from strategic intent to implementation;
- b) Identify and action plan bankable catalytic projects emanating from the Integrated Economic Growth Strategy into a prospectus to serve as the pilot phase of implementation of the strategy; and
- c) To establish a clear set of KPIs for projects and the economy in order to facilitate the implementation of the outputs noted in the Strategy.

4. PROJECT INTENT

An Economic Growth Strategy provides a framework to guide direction and activities to gain an advantage and move beyond the status quo. Economic growth and development are crucial for the well-being of communities, as they can lead to job creation, increased personal income, and improved public services. Additionally, economic development can help communities steer their own future by investing in areas that align with their values and priorities. Economic development can take many forms, including attracting new businesses and industries, supporting the growth of existing businesses, and investing in infrastructure and workforce development. Economic developers can play a key role in these efforts by working with local stakeholders to identify opportunities and develop strategies for growth. Overall, a healthy and balanced economy is essential for community well-being, and economic development can be a valuable tool for achieving this goal. By working together and investing in their future, communities can create a more prosperous and sustainable future for all residents.

Economic development has increasingly become an integral part of public policy decision making. And proactive economic development is essential. In order for a city to prosper in the new economy the following is required:

- a) Understanding the city's economic function in the regional, national and global economy;
- b) Creating a skilled and educated workforce;
- c) Investing in an infrastructure for innovation;
- d) Creating a great quality of life;
- e) Fostering an innovative business climate;
- f) Reinventing and digitizing government; and
- g) Prioritising regional governance and collaboration.

The project will build on available information and will derive a strategy which will be implemented in a phased manner. The defined action/implementation plan, which forms part of the project deliverables, must be done in a manner that it can be used to source funding for implementation of individual components, which forms part of the strategic whole.

The intention of the Municipality is to appoint a professional team, including an Economist to assist the Municipality with the compilation of the deliverables noted in this Terms of Reference.

5. STRATEGY FRAMEWORK

Due to the integrated nature of this project different sets of legislation apply to the respective strategic plans that must be incorporated into the Integrated Economic Growth Strategy. It would be incumbent on the service provider to make sure that all relevant laws, regulations and policies in existence now or on the date of adoption of the final product are adequately taken into consideration. The Integrated Economic Growth Strategy must be aligned to the components, plans, strategies set below. The list is by no means exhaustive.

- a) National Development Plan (NDP);
- b) New Growth Path (NGP);
- c) Industrial Policy Action Plan (IPAP);
- d) OneCape2040 vision;
- e) The Western Cape Infrastructure Framework;
- f) Green Economy Strategic Framework;
- g) George Integrated Development Plan 2023-2027;
- h) George Municipality's latest Spatial Development Framework (SDF); and
- i) Any other relevant policy.

6. INSTITUTIONAL FRAMEWORK

The project is commissioned by George Municipality, which is the Client. The project will be managed by a Steering Committee that consist of the following municipal officials:

- a) Director: Human Settlements, Planning and Development, and Properties;
- b) Deputy Director: Strategic Growth and Development;
- c) Deputy Director: Planning;
- d) Manager: Economic Growth;
- e) Manager: Tourism;
- f) Senior Planner: Spatial Planning;
- g) Manager: IDP/ PMS;
- h) Deputy Director: Supply Chain Management; and
- i) Chief Financial Officer
- j) External collaborators as proposed and identified via the tender and inception phases.

In term sof (j) above the tenderer should elaborate on the composition of the Steering Committee.

The Terms of Reference for the Steering Committee are as follows:

- a) To ensure that consultants are aware of relevant legislation and are informed of and have access to any relevant plans and policies;
- b) To facilitate specific inputs into the planning process as and when necessary;
- c) To draw attention to any element of the plan that may be incompatible with or in conflict with any legal provision, policy or plan;
- d) To advise on any changes or improvements that could be made to the strategy and implementation plan;

- e) To indicate whether the strategy and implementation plan conforms to the requirements and expectations of various organisations.
- f) Receiving a presentation on method and programme from the appointed consultant and providing feedback in the meeting and comment on the written proposal of the appointed consultant;
- g) Receiving a presentation from the appointed consultant at the end of each stage and commenting on the written submission received; and
- h) Providing comment on the final product for consideration by the Council before a decision is made on the adoption of the plan.

7. COMMUNITY PARTICIPATION

A public participation process will need to be undertaken throughout the project steps. The ability to form and sustain partnerships is at the core of this project and the service provider must possess a host of participatory research and partnering methodologies to move beyond stakeholder mapping. The objective of the public participation is to ensure that credible inputs are attained from the public i.e. local businesses, like-minded organisations/associations and community forums. A successful development initiative ensures that the outcomes are widely regarded as credible, appropriate, achievable, and equitable. Therefore, bidders are required to make proposals on how this process should be undertaken.

Additional requirements on the consultation process:

- a) A Portfolio of Evidence must be submitted for all public participation processes (i.e. minutes of meetings, photos, recordings, notices etc.); and
- b) Consultation with the Public to be done in an innovative and participatory manner to ensure active two-way participation.

8. INTERNAL AND EXTERNAL STAKEHOLDER CONSULTATIONS

Consultations must include:

	Strategy and Action Plan	Frequency	Function
1	Steering Committee Meetings including the George Municipality Human Settlements, Planning and Development and Properties Directorate and the Finance Directorate	Monthly or as agreed with the municipal project manager	Service provider present progress and findings, discussion/enquiries (minutes kept by the Service Provider). May be Teams meeting format.
2	General Focus Group meetings, including local business formations, a wide spectrum of local businesses and interest groups to be confirmed during the inception stage	At least three within project timeframe (inputs and presenting of final draft Strategy)	Obtain input into sources of data and into aspects to consider in process/strategy. A second session to provide feedback relating to strategy and a final session to obtain final inputs on the final draft document.

3	Workshop with the Ward Committees	One	To solicit inputs .
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9. PROJECT BRIEF

The contents and scope of Integrated Economic Growth Strategy should include, but not limited to the following:

- a) The Integrated Economic Growth Strategy should be based on an agreed vision and planning principles to promote equity and sustainability in line with the Integrated Development Plan and Spatial Development Framework;
- b) Be aligned with national and provincial economic policies, most particularly the provincial Jobs for Growth strategy;
- c) Spatially locate the economy in terms of catalytic zones as defined in the SDF;
- d) Based on an analysis of trends and comparative advantage provide guidance on the municipality's core enabling role of strengthening total factor productivity, which implies a focus on land, labour and capital;
- e) Develop the strategic enablers to facilitate the implementation of the strategic execution plan.
- f) Reflect a clear understanding of the municipal spatial environment, social and economic systems;
- g) Utilise innovation and participatory methodologies to solicit public and stakeholder input, as well as respond thereto;
- h) Provide a detailed Monitoring and Evaluation framework with SMART indicators to ensure the effective implementation of the strategic plan. This must include the compendium of socio-economic indicators;
- i) Be realistic in terms of growth prospects and the financial and institutional capacity of the municipality to implement the proposals;
- j) Provide sufficient detail to inform Council decisions that have an economic dimension;
- k) Include an implementation plan for a pipeline of projects which incorporates at least a fifteen-year vision, with measurable targets;
- l) Identify and develop appropriate instruments for the development and execution of this pipeline
- m) Develop detailed project requirements for a list of bankable projects;
- n) Provide guidance for inter-sectoral plans and strategies amongst the three spheres of government;
- o) Provide a compendium of socio-economic key performance indicators for the municipality; and
- p) Ensure buy-in from all relevant stakeholders and the general public.

10. PROJECT DELIVERABLES

Deliverables for the document include the following:

- a) Three (3) A3/A4 hard colour copy reports with diagrams, tables, figures, graphs in easy printable format (MS Word/Excel);
- b) Two (2) electronic copies of the report with explanatory socio economic indicators and trends, diagrams, tables, figures, graphs in MS Word and Pdf format on flash-drives;

- c) An electronic copy of each deliverable and supporting documentation (per deliverable/milestone) must be submitted;
- d) Compatible excel database of all raw and processed data;
- e) A user-friendly, executive summary of both the Status Quo Analysis Report and the Integrated Economic Growth Strategy in MS Word, PDF and electronic format in order to use for broader public information;
- f) A user-friendly, e-book version of the prospectus, as well as in MS Word and PDF;
- g) PowerPoint presentations be provided and presented on:
 - i. Status Quo Report;
 - ii. The draft document;
 - iii. The final document;
- h) All data be provided in the written document in the most applicable format (whether diagrams, tables, figures, graphs etc.);
- i) The service provider is to produce detailed and clear maps related to the strategy and design information. The strategy (Implementation Plan – actions) and precinct deliverables must be spatially placed (mapped);
- j) Strategy/demarcation and guidelines to include a spatial component, which must be presented on a GIS base with corresponding/linked data and Strategic- and implementation elements (classification/process/guidelines/links);
- k) The Status Quo report, Strategy, Action Plan and Prospectus deliverables must include input to a draft set of communication media that can be used for public participation;
- l) The project should be concluded within ten months from date of appointment;
- m) Stakeholder engagement will be an essential part of all project components/deliverables. Project proposals should state the extent of consultation, and should include, at least:
 - i. Monthly engagement (or as agreed with the municipal project manager) with municipal representatives according to a fixed schedule;
 - ii. At least three engagements with identified interest groups or the public; and
 - iii. Guidelines to identified interest groups (workshops).
- n) The invoicing **schedule** to be linked to project deliverables and an updated schedule to be attached to each submitted invoice, with a copy of the relevant deliverable (all submitted electronically); and
- o) All information produced, vests with Municipality.

11. CONTRACTING PERIOD

It is anticipated that the duration of this project will be ten (10) months from date of appointment. Final Close Out Reports to be submitted within a month after completion of the project. Service providers will be required to submit a basic Work Plan as part of the tender proposal to illustrate an understanding of the Scope of the Work to show which steps will be completed in the allocated months/timeframe. The Work Plan must include roles and responsibilities, outputs and milestones as well as clear timeframes. The workplan must show concurrent process to ensure that deliverables are completed within the contracting period.

12. PROJECT TIME FRAMES

The following are the project outputs, some of which may run in parallel, but may not exceed ten months total project time.

	DELIVERABLE	TIMEFRAME From date of appointment	COMPLETION REQUIREMENTS
1	Work Plan and Inception meeting	2 weeks from final appointment	Jointly agreed workplan based on Terms of reference and work plan submitted as part of tender
2	Inception Report and submission of work plan	2 weeks	Work plan with clearly defined work packages and time lines
3	Status Quo Analysis and implications for the strategy	2 Months	Draft document and workshop Response to comments and inputs received
4	Consolidated stakeholder consultative report	4 Months	Draft presented for comment and workshop / presentation Response to comment and inputs received
5	Develop the draft Integrated Economic Growth Strategy	2 Months	Draft strategy with the action plan for the various initiatives required.
6	Submit the final Integrated Economic Growth Strategy	2 Months	Consolidated strategy and implementation plan with clearly defined targets, cost estimates and timelines; detailed plans (prospectus) for bankable catalytic projects emanating from the Integrated Economic Growth Strategy; monitoring and evaluation framework; and required key performance and socio-economic indicators.

13. COST SCHEDULE

It is compulsory that the bidder utilise the tables included in the tender document as part of the financial proposal to cost and confirm financial aspects. The costs to be confirmed in terms of at least the following resources:

i. Economist (who must be the Project Lead)
ii. Other staff/ team members

The Project lead (person) to be identified and to coordinate the staged input requirement of each professional/specialist/team member and a cost per deliverable to be provided.

The service provider will be required to provide a cost schedule to provide detail on the costs of each component of the noted deliverables.

14. SUBMISSION REQUIREMENTS

- a) The bid form, the form and schedule including completed annexures required in this Terms of Reference, Annexures must be properly received on the bid closing date and time specified on the invitation, fully completed, dated and signed in ink/electronically.
- b) The following items are required in submission from the bidder in order for bids to qualify for evaluation in the following order – to be read with other bid requirements contained in this Terms of Reference:
- c)

	ITEM	DESCRIPTION
1	Covering Letter	Name and contact details of bidder (main contracting party) Confirmation/ list of submission of documents required in terms of this bid. Any special conditions (if any)
2	Pre-Qualification And Functionality Requirements	Confirmation of compliance with Pre-Qualification Criteria, with supporting documents references and attached, if required, and submitted with the bid
3	Technical Proposal	The technical proposal will include an acceptance/interpretation of the terms of reference to show an understanding of the project and the required steps (work plan) and deliverables, with supporting documents references as attached
4	Cost Schedule	To be completed - to contain a breakdown of professional fees (delivery component based) as per indicated – i.e. Fee per deliverable, percentage (%) and acceptance of cost Supply a list of key team members setting out the professional roles and hourly rates- for reference purposes only
5	Time Schedule	Draft Work Plan and Expected Delivery Date/s per deliverable. Note requirement to submit a Technical Proposal (one page to show project understanding and work plan)
6	Other Tender Requirements	Any other requirements set out in the invitation to tender to be met

15. BIDDING CRITERIA

A Competitive Bidding Procurement Procedure will be followed.

- a) Pre-qualification requirements apply.
- b) The following evaluation phases for responsive bids will be applicable:
 - i. Functionality
 1. Criteria 1: Experience and capacity; Criteria 2: Project understanding and methodology.
 - ii. Price and Preference points
 1. Rate per hour of professionals (used as evaluation guideline) and fee per deliverable and costs (basis of payment).

2. Points Scoring System applicable for this bid: 80/20 B-BBEE, Specific Goals and Preference points scoring system.

16. BIDDER SPECIFICATION: PRE-REQUISITE TO EVALUATION OF BID

In order to be eligible to be evaluated in terms of the functionality criteria, the service provider must confirm and submit the required supporting documents in respect of the following prequalification criteria:

- a) The service provider (company) must be a registered professional company. The company registration number to be supplied and the field of expertise to be confirmed. A company CV to be attached. The name of the person responsible for the project, within the contracting company, to be specified;
- b) An Economic Specialist or Development Economist with an in depth understanding of Local Economic Development especially in the Western Cape and the Garden Route District Municipality;
- c) A Transactional advisor for the bankable project list;
- d) CVs to be attached, along with certified copies of certificates.
- e) Extensive experience in the development of economic strategies, and implementation plans. Previous working experience with Municipalities will be an added advantage;
- f) Team members are expected to have a diverse range of expertise, competencies and experience in key areas.
- g) The service provider must have the capacity and experience to deliver the project deliverables by way of spatial representation in a format compatible with the municipal GIS System. Please attached proof to confirm capability;
- h) The persons/companies listed by the bidder may be amended only with the written confirmation of the officials of the municipality and/or should the service provider choose to use professionals available on the professional panel supplied (if any) by the Municipality;
- i) The general procurement conditions of George Municipality apply; and
- j) All proof of relevant documentation must be submitted with tender document. Failure to do so will result in your bid be non-responsive.

17. FUNCTIONALITY CRITERIA

- a) Qualifying bids will be evaluated on the functionality criteria as set out below.
- b) The following criteria will be used to calculate points for the functionality of bidders and bidders should ensure that they submit all information to be pre-evaluated on the criteria mentioned below:

Criterion 1: Experience and Capacity			60
1	Experience of the Service Provider		
	Project Lead/ Economist: ten or more years experience, with a minimum of a Masters degree	20	
	Project Lead/ Economist: seven to nine years experience, with a minimum of a Masters degree	14	
	Project Lead/ Economist: less than seven years experience, with a minimum of a Masters degree	6	

2	Accumulated experience of remainder of project team		
	Thirty and more years' experience	20	
	Between twenty-one and twenty-nine years' experience	10	
	Between ten and twenty years' experience	6	
	Less than 10 years' experience	4	
3	Capacity of the Service Provider		
	Extent of projects completed: 15 or more projects	20	
	Extent of projects completed: between 10 and 14 projects	14	
	Extent of projects completed: less than 10 projects	6	
Criterion 2: Project Understanding and Methodology			40
1	Project Understanding		
	Excellent understanding of what is required (technical proposal)	20	
	Good understanding of what is required	10	
	Poor understanding of what is required	5	
2	Project Methodology		
	Excellent understanding of the project process/approach to the project and provide timelines and deliverables	20	
	Good understanding illustrating proposed methodology and provide timelines and deliverables	10	
	Poor understanding of the project process	5	

- a) A maximum of 100 points will be awarded at the sole discretion of the user Department based on the information provided. Please note that this section refers to the Bidder's and its legacy firm's experience and including the experience of the service provider's professional team - to be specified in the tender submission. Meaning this section takes into consideration that the bidder/service provider, as a contracting entity, and their professional team, has gained relevant experience in the past and showcase that the bidder is in the business of said Scope of Works.
- b) Unclear, vague, fragmented, or incomplete information provided will result in no points being allocated.
- c) Relevant experience is defined as the accumulation of knowledge or skill that results from direct participation in relevant/similar events or activities and/or as determined by the George Municipality and which equates to the capability of the bidder to complete the project as defined in this Terms of Reference.
- d) In order to claim points for the above, bidders must complete and submit all applicable documentation, with required proof, containing the following:
- i. The service provider (relevant professional and/or relevant personnel/ and or relevant contracted persons) must have the qualification and experience required to complete the project, as defined in this Terms of Reference. The onus is on the bidder to illustrate compliance with the intent of the criteria.
 - ii. The human resource- and administrative support capacity must be illustrated to confirm that a project of this nature (scope of work) can be completed adequately within the proposed project timeframe and that available sources of data can be accessed to support the capacity to deliver the project. The onus is on the bidder to illustrate compliance with the intent of the criteria.

- e) The Criterion 2 submission is to gauge the bidder's understanding of the project, given the limited information availability, at this stage. This submission is not construed as the final process/workplan, which will be submitted in the Inception Phase (first two weeks after appointment) but must illustrate the general approach and methodology to which the bidder may be bound.

- **BIDDERS MUST SCORE AT LEAST 70 OUT OF 100 IN FUNCTIONALITY, TO QUALIFY TO BE EVALUATED FOR PRICE AND PREFERENCE**
- **IMPORTANT NOTE: BIDDERS MUST ATTACH ALL SUPPORTING DOCUMENTATION WITH THE TENDER DOCUMENT IN ORDER TO SCORE POINTS FOR FUNCTIONALITY.**

18. SPECIAL CONDITIONS OF CONTRACT

- a) The contract will be for a **period of ten months**, starting at the date of appointment of successful bidder, but may be extended.
- b) The final handover of deliverables must be completed by 30 June 2024 and the project plan must be structured accordingly to ensure that all deliverables are received and usable by the Municipality, by then.
- c) The Municipality reserves the right to appoint any other service provider to complete projects/inputs related to the project and project site, in which case the service provider must include such team/specialist in the consultative meetings. I.e., the Municipality is not bound by the service provider team, as appointed in terms of this tender, should specialist services be required not provided for in this tender document and/or specific skills be sought.
- d) Prices should be valid for two years, with escalation only if indicated and include VAT, travelling, subsistence and any other administrative charges to a maximum of 5%.
- e) All hourly tariffs herein will be binding (set as a maximum) upon Service Providers for the duration of the contract, as indicated in the pricing schedule.
- f) Tariffs (rates and fees per deliverable) are based on the maximum that may be charged, i.e., Service Providers may offer appropriate discounts on receiving instructions and/or on submitting subsequent project specific proposals.
- g) The George Municipality reserves the right to downward adjust the scope of work / quantity required to stay within its budgetary constraints.
- h) Invoices from the service provider will be approved by the responsible official of the Municipality, once proof is received, i.e. the deliverable is handed over to the Municipality in the required, usable format, prior to processing the invoice for payment.

19. FINANCIAL PENALTIES

Financial penalties shall be imposed for agreed upon milestones, targets, and deadlines not met without providing timely notification of such delays; valid reasons for the delays; and supporting evidence that the delays were outside of the influence of the service provider.

Payments will be made only for work performed to the satisfaction of the Municipality. Financial penalties will be imposed if the output produced does

not meet the agreed upon deliverables criteria as stipulated in the General Conditions of Contract. Original invoices to substantiate all miscellaneous costs must be provided if requested. Invoices should include the Department's order number that will be provided to the selected service provider upon acceptance of the bid. Invoices must clearly indicate the number of hours spent on the project and for what purpose those hours were spent, and to what extent the objectives were achieved.

A penalty of R1000.00 per working day (public holidays excluded) will be imposed for milestones, target dates and deadlines not met as stipulated in the agreed work breakdown structure. Penalties will be deducted per phase, if and when applicable.

20. GENERAL

- a) Bid documents and forms can be downloaded from the municipal website.
- b) Supply Chain enquiries can be addressed to: nzeelie@george.gov.za.
- c) A compulsory briefing session will be held on Tuesday, 04 July 2023 at 10:00 via MS Teams. Tenderers must register per e-mail at Mr. Marc Jacobs with email address: mcjacobs@george.gov.za before 14:00 on Friday, 30 June 2023 to receive an invite for the compulsory information session.
- d) Enquiries relating to the Terms of reference can be directed to:

Project Leader	KJ Haarhoff		
Directorate	Human Settlement, Planning and Development, and Properties	Bid no	DPD040/2023
E-mail	khaarhoff@george.gov.za	Cellular no	083 374 43709
Telephone	044-801 1223	Fax no	

PRICING SCHEDULE

Item	Deliverable	Key Person Involved	Hours	Rate per hour	Total
1	Work Plan and Inception meeting				
	Total for Deliverable					R
2	Inception Report and submission of work plan				
	Total for deliverable					R
3	Status Quo Analysis and implications for the strategy				
	Total for deliverable					R

4	Consolidated stakeholder consultative report				
	Total for Deliverable				R
5	Develop the draft Integrated Economic Growth Strategy				
	Total for deliverable				R
6	Submit the final Integrated Economic Growth Strategy, including bankable projects				
	Total for Deliverable				R
TOTAL FOR ALL DELIVERABLES					R
VAT @ 15%					R
DISBURSEMENTS @ 5%					R
GRAND TOTAL					R

Note:

- a) All fees and disbursement (including travel/accommodation/copies/site visits/meeting expences, ect. i.e. all costs excluding stated professional fees) shall be evaluated against the terms of reference and the work plan and valid claim shall be certified to be correct and then processed for payment . Supporting documentation will be required to validate claims. An updated payment schedule, referring to the payment milestones, shall be submitted by the service provider with each claim.
- b) Disbursements are to be capped to a maximum of 5% of the total cost and to include all cost items except stated (included in tender) professional fees.
- c) Amounts reflected for the estimated hours/months and the related tariff will be utilised for tender evaluation purposes only and as the basis of extensions of the contracts to ensure ongoing implementation management, if required, unless a seperate tender is issued.
- d) The total fee per deliverable will be reflected in the appointment and release of fees will be done in accordance with the cost schedule to be submitted in the Inception stage (First two weeks after appointmentworkplan). Again, payment stages to be linked to deliverables and fees related to such deliverables.
- e) Tenderers MUST complete the pricing schedule and tender a price for each item and column in the pricing schedule

THE TENDER OFFER

I/We Mr/Mrs/Messrs _____
duly assigned to represent the service provider for the purpose of this tender, hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached documents to the George Municipality on terms and conditions stipulated in this tender and in accordance with the specifications stipulated in the tender documents (which shall be taken as part of, and incorporated into this tender) **at the prices reflected in the Pricing Schedule.**

I/we agree that this offer shall remain valid for a period of 90 days commencing from the closing date and time of this tender.

I/we further agree that:

This tender and its acceptance shall be subject to the terms and conditions contained in the George Municipality's Supply Chain Management Policy;

If I/we withdraw my/our tender within the period for which I/we have agreed that the tender shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the George Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the George Municipality and I/we will then pay to the George Municipality any additional expense incurred by the George Municipality having either to accept any less favorable tender or, if fresh tenders have to be invited, the additional expenditure incurred by the invitation by the invitation of fresh tenders and by the subsequent acceptance of any less favorable tender; the George Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other tender or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other tender or contract and pending the ascertainment of the amount of such additional expenditure or retain such moneys, guarantee or deposit as security for any loss the George Municipality may sustain by reason of my/our default;

If my/our tender is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;

The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our tender and that I/we choose domicilium citandi et executandi in the Republic of South Africa, where any and all legal notices may be served at (full street address on this place):

Physical Address: _____

I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our tender; that the price(s) and rate(s) tendered cover all the work/item(s) specified in the tender documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our own risk.

I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfillment of this contract.

I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgement which may be pronounced against me/us as a result of such action.

I/we declare that I/we have participation / no participation in the submission of any other offer for the supplies/services described in the attached documents. If in the affirmative, state name(s) of tenders involved.

Name: _____

Signature: _____

Date: _____

This form must be completed and signed to be considered provisionally responsive.

ACCEPTANCE

By signing this part of the form of offer and acceptance, the employer identified below accepts the supplier's offer. In consideration thereof, the employer shall pay the supplier the amount due in accordance with the conditions identified in the tender data. Acceptance of the supplier's offer shall form an agreement between the employer and the supplier upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the supplier receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the supplier within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Name: **MS L WARING**

Signature: _____

Capacity: **DIRECTOR: HUMAN SETTLEMENTS, PLANNING AND DEVELOPMENT**

Date: _____

For the Employer: **GEORGE MUNICIPALITY
CIVIC CENTRE
YORK STREET
GEORGE**

TAX COMPLIANCE INFORMATION

PART A

Tax Compliance Status	TCS Pin:		or	CSD No:	
B-BBEE Status Level Verification Certificate [Tick Applicable Box]	<input type="checkbox"/> Yes <input type="checkbox"/> No			B-BBEE Status Level Sworn Affidavit	<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE / SWORN AFFIDAVIT (FORM 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No [If Yes, Enclose Proof]			Are You A Foreign Based Supplier For The Goods / Services / Works Offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No [If Yes, Answer Part 2.]
Signature of Bidder	.....			Date	.....

PART B TERMS AND CONDITIONS FOR BIDDING

1. TAX COMPLIANCE REQUIREMENTS		
1.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.		
1.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.		
1.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA .		
1.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B2.		
1.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.		
1.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.		
1.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.		
2. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS [Tick Applicable Box]		
2.1 Is the entity a resident of the Republic of South Africa (RSA)?	YES	NO
2.2 Does the entity have a branch in the RSA?	YES	NO
2.3 Does the entity have a permanent establishment in the RSA?	YES	NO
2.4 Does the entity have any source of income in the RSA?	YES	NO
2.5 Is the entity liable in the RSA for any form of taxation?	YES	NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 1.3 ABOVE.		

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

Signature of Bidder:

Capacity Under Which This Bid Is Signed:

Date:

DECLARATION OF INTEREST

1.	No bid will be accepted from persons in the service of the state*.	
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.	
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.	
3.1	Full Name of bidder or his / her representative:	
3.2	Identity number:	
3.3	Position occupied in the Company (director, trustee, shareholder ²):	
3.4	Company Registration Number:	
3.5	Tax Reference Number:	
3.6	VAT Registration Number:	
3.7	The names of all directors / trustees / shareholders / members, their individual identity numbers and state employee numbers (where applicable) must be indicated in paragraph 4 below.	
3.8	Are you presently in the service of the state?*	YES / NO
3.8.1	If yes, furnish the following particulars: Name of person / director / trustee / shareholder member: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:	

<p>3.9 3.9.1</p>	<p>Have you been in the service of the state for the past twelve months? If so, furnish particulars.</p>	<p>YES / NO</p>
<p>3.10 3.10.1</p>	<p>Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? If yes, furnish the following particulars: Name of person: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:</p>	<p>YES / NO</p>
<p>3.11 3.11.1</p>	<p>Are you aware of any relationship (family, friend, other) between the bidder and any person in the service of the state who may be involved with the evaluation and or adjudication of this bid? If yes, furnish the following particulars: Name of person: Name of state institution at which you or the person connected to the bidder is employed: Position occupied in the state institution: Any other particulars:</p>	<p>YES / NO</p>
<p>3.12 3.12.1</p>	<p>Are any of the company's directors, managers, principal shareholders or stakeholders in the service of the state? If yes, furnish the following particulars:</p>	<p>YES / NO</p>

	<p>Name of person / director / trustee / shareholder / member: </p> <p>Name of state institution at which you or the person connected to the bidder is employed: </p> <p>Position occupied in the state institution:</p> <p>Any other particulars:</p> <p>.....</p>	
<p>3.13</p> <p>3.13.1</p>	<p>Is any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of the state?</p> <p>If yes, furnish the following particulars:</p> <p>Name of person / director / trustee / shareholder / member: </p> <p>Name of state institution at which you or the person connected to the bidder is employed: </p> <p>Position occupied in the state institution:</p> <p>Any other particulars:</p> <p>.....</p>	<p>YES / NO</p>
<p>3.14</p> <p>3.14.1</p>	<p>Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?</p> <p>If yes, furnish particulars: </p> <p>.....</p>	<p>YES / NO</p>

4. Full details of directors / trustees / members / shareholders:			
THE FOLLOWING INFORMATION IS COMPULSORY TO COMPLETE:			
Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number (where applicable)
5.	The contract will be automatically cancelled if there is a conflict of interest which is not disclosed by the bidder.		

Protection of Personal Information Act, 2013 (Act no.4 of 2013) (POPIA)

All parties agree that they will comply with Protection of Personal Information Act, 2013 (Act no.4 of 2013) (POPIA) and process all the information and/or personal data in respect of the goods and/or services being rendered in accordance with the said act and only for the purpose of providing the goods and/or services set out in the agreement to provide such goods and/or services.

The contract between the municipality and the service provider must ensure compliance with the Protection of Personal Information Act, 2013 (Act no.4 of 2013) (POPIA), in that the service provider establishes and maintains security measures to safeguard personal information being processed on behalf of the municipality. The service provider must notify the municipality immediately in an event where there are reasonable grounds to believe personal information has been accessed by an unauthorised person.

The contract with a service provider must ensure confidentiality of personal information processed on behalf of the municipality. A supply contract with a service provider must include standard clauses outlining joint responsibility in terms of the protection of personal information.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

<p>¹MSCM Regulations: "in the service of the state" means to be -</p> <ul style="list-style-type: none"> (a) a member of – <ul style="list-style-type: none"> (i) any municipal council; (ii) any provincial legislature; or (iii) the National Assembly or the National Council of Provinces; (b) a member of the board of directors of any municipal entity; (c) an official or any Municipality or municipal entity; (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999); (e) a member of the accounting authority of any national or provincial entity; or (f) an employee of Parliament or a provincial legislature. <p>²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercise control over the company.</p>

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - 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 80/20 preference point system.

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

- (a) Price;
- (b) BBBEE; and
- (c) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
BBBEE	10
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

regarding preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \mathbf{P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \mathbf{P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)}
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR BBEE AND 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:

4.1.1 Points awarded for B-BBEE Level of Contributor

In terms of the Specific Goals as per the George Municipality Preferential Procurement Policy, preference points must be awarded to a tenderer for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points for Preference (80/20)	Number of Points for Preference (90/10)
1	10	5
2	9	4.5
3	7	3
4	6	2.5
5	4	2
6	3	1.5
7	2	1
8	1	0.5
Non-compliant contributor	0	0

Bidder MUST submit a valid BBEE certificate, failure to attach no points will be awarded for BBEE points.

4.1.2 Points awarded for Specific Goals

In terms of the Specific Goals as per the George Municipality Preferential Procurement Policy, preference points must be awarded to a Tenderer for Locality in accordance with the table below:

Locality of Tenderer's Office	Number of points (80/20 system)	Number of points (90/10 system)
Within the boundaries of George Municipality	10	5
Within the boundaries of the Garden Route District Municipality	6	3
Within the borders of the	4	2

Western Cape		
Outside the borders of the Western Cape	2	1

Bidder MUST submit proof of address (e.g., municipal account, rental/lease agreement, or affidavit) not older than three (3) months. Failure to attach proof will result in no points awarded for Specific Goals.

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.

5. BID DECLARATION

Tenderers who claim points in respect of BBBEE must complete the following:

B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 4.1 AND 4.1.1

5.1. Contribution to BBBEE: =(maximum of 10 points)
--

(Points claimed in respect of paragraph 5.1 must be in accordance with the table reflected in paragraph 4.1.1 and **must be substantiated by relevant proof of B-BBEE status level of contributor.**)

LOCALITY OF TENDERERS OFFICE CLAIMED IN TERMS OF PARAGRAPHS 4.1 AND 4.1.2

5.2. Contribution to specific Goals: =(maximum of 10 points)

(Points claimed in respect of paragraph 5.2 must be in accordance with the table reflected in paragraph 4.1.2 and **must be substantiated by relevant proof of address of a company office.**)

DECLARATION WITH REGARD TO COMPANY/FIRM

5.3. Name of company/firm.....

5.4. Company registration number:

5.5. 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]

5.6. 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 5.1 and 5.2, 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:	.....

SWORN AFFIDAVIT – BBEE EXEMPTED MICRO ENTERPRISE**SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE**

I, the undersigned,

Full name & Surname	
Identity number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:
 - The enterprise is _____ % black owned;
 - The enterprise is _____ % black woman owned;
 - Based on the management accounts and other information available on the _____ financial year, the income did not exceed R10,000,000.00 (ten million rands);
 - Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	

4. The entity is an empowering supplier in terms of **the dti** Codes of Good Practice.
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION

FORM IS TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38(1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD9) must be completed and submitted with the bid:
 - 1 **Includes price quotations, advertised competitive bids, limited bids and proposals.**
 - 2 **Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

_____ (Bid Number and Description)

in response to the invitation for the bid made by:

GEORGE MUNICIPALITY

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

I certify, on behalf of: _____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.

MBD9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

.....
Signature	Date
.....
Position	Name of Bidder

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

CERTIFICATE FOR MUNICIPAL SERVICES (COMPULSORY TO COMPLETE)

Information required in terms of the Supply Chain Management Regulations, Regulation 28 (1) (c).

Tender Number: DPD040/2023
Name of the Bidder: _____

DETAILS OF THE BIDDER/S: Owner / Proprietor / Director(s) / Partner(s), etc:

Physical Business address of the Bidder	Municipal Account Number(s)

If there is not enough space for all the names, please attach the additional details to the Tender document.

Name of Director / Member / Partner	Identity Number	Physical residential address of Director / Member / Partner	Municipal Account number(s)

I, _____, the undersigned,

(full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

Signature

THUS DONE AND SIGNED for and on behalf of the Bidder / Contractor

at _____ on the _____ day of _____ 2023

PLEASE NOTE:

MUNICIPAL ACCOUNTS FOR ALL PROPERTIES OWNED BY BIDDER/S MUST BE ATTACHED TO THE TENDER DOCUMENT!

Even if the requested information is not applicable to the Bidder, the table above should be endorsed **NOT APPLICABLE** with a reason and **THIS DECLARATION MUST STILL BE COMPLETED AND SIGNED**. In the event of leasing, a lease agreement **MUST** be attached to the tender document.

GEORGE MUNICIPALITY PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

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. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-Dumping and countervailing duties and rights
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. Transfer of contracts
34. Amendment of contracts
35. 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 goods 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 goods covered by the bid will be manufactured.

- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application:

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific 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 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards:

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

5. Use of contract documents and information inspection:

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the provider 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 provider'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 provider shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

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

7. Performance security:

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

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

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

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

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

8. Inspections, tests and analyses:

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, test and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents:

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

11. Insurance:
- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.
12. Transportation:
- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.
13. Incidental services:
- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (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 provider for similar services.
14. Spare parts:
- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
15. Warranty:
- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this

contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment:

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices:

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

18. Variation orders:

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

19. Assignment:

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

20. Subcontracts:

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these 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 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 goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase 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 judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
 - (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction;
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7 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 Counter-Vailing duties and rights:
 - 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-

dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to 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 Notwithstanding any reference to mediation and/or court proceedings herein,
(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due to the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of liability:

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language:

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

30. Applicable law:

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

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

33. Transfer of contracts:

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

34. Amendment of contracts:

- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the

contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices:

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties are contemplated in section 59 of the Competition Act No 89 of 1998.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.