



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF
AGRICULTURE AND RURAL DEVELOPMENT**

TENDER NO: ACDP 22/06

ADVERT: PROVISION OF AUCTIONEERING SERVICES FOR DEPARTMENTAL LIVESTOCK AND MOVABLE ASSETS FOR LIMPOPO DEPARTMENT OF AGRICULTURE & RURAL DEVELOPMENT

NAME OF TENDERER	
TOTAL TENDERED AMOUNT	
VAT NUMBER (if registered for VAT)	
SUPPLIER CSD REGISTRATION NUMBER	
TAX COMPLIANCE STATUS PIN (to verify bidder's tax compliance status)	

PREPARED BY:



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF
AGRICULTURE AND RURAL DEVELOPMENT**

**HEAD OF DEPARTMENT
LIMPOPO DEPT OF AGRICULTURE AND RURAL DEVELOPMENT
PRIVATE BAG X 9487
POLOKWANE
0700**

**CLOSING DATE : 22 NOVEMBER 2022
Time : 11h00**

**BRIEFING SESSION : 03 NOVEMBER 2022
TIME : 10H00
VENUE : DEPARTMENT OF AGRICULTURE , AGRIVILLAGE 1**

PART A

INVITATION TO BID

SBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE AGRICULTURE AND RURAL DEVELOPMENT							
BID NUMBER:	ACDP 22/06		CLOSING DATE: 22 NOVEMBER 2022		CLOSING TIME:		11H00
DESCRIPTION	PROVISIONING OF AUCTIONEERING SERVICES FOR DEPARTMENTAL LIVESTOCK AND MOVABLE ASSETS FOR LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
67/69 BICCARD STREET DEPARTMENT							
DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT							
POLOKWANE							
0699							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Matodzi TS			CONTACT PERSON	Mojapelo MC/ Nkhwashu J		
TELEPHONE NUMBER	015 294 3351			TELEPHONE NUMBER	015 294 3349/ 015 294 3214		
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS	matodzis@agric.limpopo.gov.za			E-MAIL ADDRESS	mojapeloc@agric.limpopo.gov.za / zithaj@agric.limpopo.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:			OR	CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No			B-BBEE STATUS LEVEL SWORN AFFIDAVIT		TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]							
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<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 THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA .
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE

(Professional Services)

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

NAME OF BIDDER:	BID NO.:
CLOSING TIME 11:00	CLOSING DATE.....

ITEM NO INCLUDED)	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES
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1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.
R.....

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

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

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

.....	R.....	----- days
.....	R.....	----- days
.....	R.....	-----days
.....	R.....	----- days

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

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

.....R

TOTAL: R.....

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

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R
.....	R
.....	R
.....	R
TOTAL: R.....			

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

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

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

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

.....
.....
.....
.....

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

SBD4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN

TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON

PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT

SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**B-BBEE status level of contributor**” means the B-BBEE status of an entity in terms of a

code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) certificate issued by an authorized body or person; B-BBEE Status level
 - 2) prescribed by the B-BBEE Codes of Good Practice; A sworn affidavit as
 - 3) requirement prescribed in terms of the B-BBEE Act; Any other
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(*Tick applicable box*)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(*Tick applicable box*)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

vi)

Designated Group: An EME or QSE which is at least 51% owned by:	EME	QSE
---	-----	-----

	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

- 1.
- 2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

TERMS OF REFERENCE

FOR

**THE PROVISION OF AUCTIONEERING SERVICES FOR DEPARTMENTAL LIVESTOCK
AND MOVABLE ASSETS FOR LIMPOPO DEPARTMENT OF AGRICULTURE AND
RURAL DEVELOPMENT**

1. PURPOSE.

Invitation to suitable service providers to submit proposals for the appointment of an auctioneer who shall provide services for disposing culled livestock as well as obsolete/redundant movable assets in LDARD as and when need arises.

2. BACKGROUND.

The Limpopo Department of Agriculture and Rural Development (LDARD) owns movable assets as well as Livestock that are kept at several Stations.

The departmental movable assets that are identified during verification and spot checks and found to be obsolete/damaged should be recorded and disposed annually as per the asset management policy and procedure manual. Assets are sometimes disposed of in various methods as guided by the asset management policies and procedure manual. Furthermore, the farms where animals are kept follow the general livestock farms management principles. There are thus livestock selection and culling activities that are done annually, to ensure that farms are run in accordance with the acceptable farm management principles and compliance to animal health and general care laws and regulations. Redundant and excess livestock is therefore sometimes disposed of in various methods as guided by the livestock disposal policy of the department.

3. SCOPE OF WORK.

3.1. General Scope.

The project includes the sale through Auctioneering of culled livestock that are kept in LDARD breeding stations, Livestock development centers and Agricultural colleges. Furthermore, all identified assets that obsolete/redundant within LDARD premises.

3.2. Description of Items to be sold.

The items to be sold by auction include:

- Livestock of all ages and gender and
- All sorts of movable assets within the department.

3.3. Labour requirements for the work.

- The auctioning company will be expected and required to provide own professional auctioneering personnel, administrative staff, and general workers.
- The auctioneering company shall be required to mark and sort assets into various lots before sale.
- The auctioneering company will be required to mark and sort assets accordingly to sales and buyers after sale.

3.4. Monitoring of Work.

LDARD together with Limpopo Treasury shall avail personnel for ensuring and

monitoring the auction services for all auctions that shall be executed.

4. DELIVERABLES.

- The auctioneer is responsible for advertising the sale in the public press in English and depending on the target group, advertisements may also be in other languages as well and proof of such adverts must be submitted to the Department.
- The cost of the advertisements is solely the responsibility of the auctioneer and the Department will not be held liable for the advertising costs including all other expenditure on advertisements such as handbills, posters, etc.

The auctioneering company shall be provided with lists of assets earmarked for auction within three weeks, of which include 15 working days before the auction date agreed upon.

- The auctioneer shall arrange assets into lots two weeks before the auction and for livestock one day before the auction
- The auctioneer shall be responsible for the advertisement of auctions to be held, and that shall be done at least two weeks before the auction date.
- The auctioneer shall be expected to collect assets to the auction site as and when a need arises.

4.1.1. DISPOSAL PROCESS

- The auctioneer shall execute the sale of identified assets as per the agreed arrangements and date with the department.
- The Auctioneer shall use minimum prices as determined by the Department in the schedule to be provided to the Auctioneer seven (7) days prior to auction date.
- The Auctioneer shall inspect all assets/livestock on site prior to the auction on the viewing day agreed upon, to ensure that the descriptions of assets/livestock are correct and to acquaint themselves with the condition of assets.
- The Auctioneer shall be at the auction site at least an hour before commencement of the auction.
- The AUCTIONEER shall be bound by the departmental conditions appearing in item 5 below, which must be brought to the attention of buyers prior to commencement of the auction.
- The AUCTIONEER shall make arrangement for the buyers to pay during the auction process shall not be interrupted.
- The Department shall handover the assets to the auctioneer of which the auctioneer shall be obligated or take full responsibility of the auction proceedings however it is the responsibility of the department to ensure correctness of the proceedings. The Department shall handover the assets/livestock to the auctioneer on the day of the auction.
- The auctioneer shall ensure that all buyers are registered and have proof of registration prior the auction as follows: -
 - livestock, heavy machinery, equipment, and transport asset R5000.00
 - Minor assets and all other small items R1000
- The auctioneer shall ensure that buyers pay full amount of all assets/livestock they are bidding for before assets are removed from the departmental auction site.
- The auctioneer shall return the full registration fee/deposit to buyer who did not bid for anything as per the records.

4.1.2. PAYMENT OF AUCTION PROCEEDS TO LDARD

- The Auctioneer shall submit a list of assets/livestock sold per at least three days after the completion of the sale which shall include price per lot, unit price where possible and the total amount as per auction proceedings and reconciliation of proceeds to be done by the auctioneer and Departmental representatives at the end of the auction
- The Auctioneer shall pay over to the net proceeds (after deduction of commission and transportation costs of assets) **of the sale within 24hrs after Auction date to LDARD account** that was provided to the auctioneer, failure which shall lead to Legal Actions taken against the auctioneer by LDARD.
- The Auctioneering company shall submit an itemised Invoice for the commission/percentage to be claimed for the sales to LDARD, that invoice must include the amount of advertising costs as per agreement and detailed gross amount generated on the day of the auction.
- The invoice should include advertising costs and transportation costs of assets (Auctioneers should provide evidence/proof)
- All moneys received at the auction shall be recorded in quadruplicate, of which the original proof shall be given to the buyer and the second copy be given to LDARD and the third copy be given to Limpopo Treasury and the final copy will be kept by the Auctioneer. Assets/livestock shall only be released after a payment has been received and upon producing proof of Auctioneer's receipt of sale by the buyer at the gate/exit point of the auction site.

5. CONDITION OF SALES

TO BE READ OUT BY THE AUCTIONEER BEFORE COMMENCEMENT OF THE SALE.

- 5.1 The Department shall, at any time, have the right to stop the auction, or to withdraw a lot, or lots without providing reasons.
- 5.2 The AUCTIONEER shall award the bid to a registered buyer and ownership and risk shall pass to the buyer as soon as payment for the asset put on sale has been made.
- 5.3 The buyer shall be the highest bidder to whom a lot is knocked down. Should a dispute arise between two or three bidders, or between the Auctioneer and one or more bidders, the lot or lots shall again be offered and resold.
- 5.4 Lots may be grouped, or any lot may be divided or sequence in which lots will be sold may be changed.
- 5.5 Payment will be accepted by the Auctioneer in cash or bank guaranteed cheque only. The Auctioneer reserves the right to demand payment from the buyer immediately after the last lot has been knocked down.

- 5.6 Goods are sold “voetstoots” and no claims will be considered by the Department or Auctioneer, regarding incorrect description, quality, condition, inferior quality or etc. No guarantees will be given in this regard. Prospective buyers are therefore advised to inspect the goods or have them inspected before an offer is made.
- 5.7 As soon as a lot is knocked down to a buyer, he/she shall accept the risk and the responsibility for safeguarding such items. All reasonable precautionary measure will be taken by the Auctioneer personnel to safeguard the buyer's interest.
- 5.8 Lots purchased may not be removed from the auction site until such time as the last lot has been knocked down, unless special arrangements have been concluded with the official in charge of the Auction Centre, beforehand.
- 5.9 A buyer will not be permitted to remove his/her purchases from the Auction Center until he/she has presented the relevant invoice(s), which is/are issued by the Auctioneer, to the Auction Center personnel for verification. All buyers, or their representatives, are expected to acknowledge receipt of goods by signing on the auction Centre's copy of the invoice.
- 5.10 Auction Centre personnel will not permit a buyer to remove his/her purchases should the particulars reflected on the Auction Centre's copy of the invoice not correspond with the original copy of the invoice held by the buyer.
- 5.11. Should a buyer lose his/her invoice, he/she is to obtain a certified copy thereof from the Auctioneer before he/she will be permitted to remove his/her goods.
- 5.12 Where the AUCTIONEER fails to collect payments within 24 hours from buyers who have disappeared, the assets shall remain the property of the Department. The buyer shall forfeit the registration fee(s) which shall be paid over to the Department together with proceeds of sale.

6. SPECIAL CONDITIONS

- 6.1 The Auctioneer should be registered with the South African Institute for Auctioneers (SAIA), or Livestock Auctioneering Association of South Africa or SAIR, **Proof of registration to be submitted with the request.**
- 6.2 The successful Auctioneer should supply the department with a written guarantee equal to the estimated value that will be realized at the auction.
- 6.3 No costs, apart from the ones specified in this document will be accepted or allowed to be charged to either buyer or seller. The auctioneer must ensure that all other costs are covered in the percentage quoted to conduct the auction.
- 6.4 The department will in no way be liable for any loss, injury, or damage, which may be sustained by the successful Auctioneer, his employees, his equipment or any other person through handling or use of the items offered for sale.

- 6.5 The Auctioneer must be in compliance with the Workmen's Compensation Act, No.30 of 1941, for all workmen employed in the auctioning process.
- 6.6 All machinery used must comply with the regulations as specified in the Machinery and Occupational Safety Act No.6 of 1983 as amended.
- 6.7 The right is reserved to visit the premises of the company that applied for this bid.
- 6.8 **The net proceeds of each auction shall be paid to the Department within twenty-four (24) hours after the auction, in cash or by means of EFT transfer. The value of the payment shall be the gross amount realized from the auction less commission (VAT on the commission earned, included) and advertising costs.**
- 6.9 The auctioneer shall inspect all goods before the commencement of the auction to ensure that lot numbers and descriptions are correct and acquaint himself/herself with the condition of the goods. Buyers should take note that lots are sold "voetstoots" and that no claims will be considered by virtue of incorrect description, quantity, quality, condition or any other grounds.
- 6.10 The auctioneer will be responsible to provide security to safeguard the items while preparing for auction and until all items have been removed from the premise of the Department. This will be for the expense of the auctioneer.
- 6.11 Provision must be made for buyers to pay before the end of the auction without interrupting the auction. **Receipts will only be issued to registered buyers.**
- 6.12 All prospective buyers shall be registered by the auctioneer. Where applicable, registration shall occur after payment of a registration fee, determined by the Department in co-operation with the auctioneer.
- 6.13 The auctioneer is responsible for obtaining payment from the purchaser(s) before completion of the auction. The auction will be considered as completed two hours after the last bid has been knocked down or as determined by the Department's representative providing the extended period falls on the same day of the auction.
- 6.14 The registration fee shall be repaid by the auctioneer at the end of the auction, if nothing was bought by the buyer concerned or may be deducted from the amount payable by the buyer. An unclaimed registration fee at the end of the auction falls to the Department. Registration fees must be recovered within 14 working days after the auction has been completed.
- 6.15 The auctioneer shall only knock down a bid for a registered buyer. Buyers should take note that ownership of the goods sold, and risk shall pass to the buyer as soon as payment for the purchase has been received. Goods will be released by the Department's representative only after payment has been received and upon production of an auctioneer's receipt of sales slip
- 6.16 In cases of unsatisfactory performance by contractors, the Department is entitled to take corrective steps for example to cancel the contract and make alternative arrangements for the

rendering of the service. Should these steps result in a loss of income or additional costs to the Department, the Department is entitled to claim damages, retain security or impose a penalty.

The following conditions, regarding the removal of goods must be brought under the attention of the buyers:

- All lots must be removed by the buyer "*in toto*" within seven (5) working days of the date of the sale on his/her own risk and cost. If for any reason acceptable to the Department he/ cannot remove the lots within the pre-scribed working days, extension may be granted by the Department.
- If the buyer fails to take possession of the goods within the time specified herein, the Department has the right to, without further communication, confiscate and dispose of the goods as it may deem fit, without any reimbursement to the buyer. If the buyer wishes to take possession of the goods after the expiry of the period of retrieval, the Department can grant approval.

7. CONDITIONS OF ADVERTISING

7.1 The auctioneer is responsible for advertising the auction however the format of the advertisement is determined by the Department.

7.2 The following information should reflect in the advertisement:

- a) All auctions are to be advertised as a State Auction;
- b) Venue
- c) Date;
- d) Time;
- e) Description of goods to be sold;
- f) Viewing: Date and time;
- g) Special conditions applicable to the sale e.g. whether a deposit will be levied or not; and
- h) Enquiries.

7.3 A draft advertisement is to be submitted to the Department for approval before publication.

7.4 It is essential that a target group of buyers is identified before each auction.

7.5 Proof of the advertisement must be provided to the Department.

8 PRICING SCHEDULE

a) COMMISSION

DESCRIPTION	PERCENTAGE
Commission - Livestock /	
Commission – Movable Assets	

b) ADVERTISEMENT COSTS: R_____ (VAT INCL.)

- Kindly note that hidden costs will not be entertained.

9 CONTACTUAL PERIOD.

The Contract for the services of Auctioneering services shall be for a period of **36 months** from the date of signing a contract with the LDARD.

10 GENERAL TERMS AND CONDITIONS.

10.1 PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, (ACT NO.5 OF 2000)

- The terms and conditions specified in this request for bids must be read in conjunction with the above-mentioned Act.
- All costs incurred in the preparation and presentation of the proposal shall be wholly absorbed by the bidder. Supporting documentation submitted with the proposal will become the property of the Limpopo Provincial Government unless otherwise requested by the bidder at the time of submission.
- Technical Section or in the Financial Section shall be sought, offered, or permitted.
- The Department shall seek all clarifications in writing and the Bidders responses shall also be in writing.
- Without limiting the generality above, the Department may, in its sole discretion,
 - investigate evidence of the ability and experience of a Bidder under consideration, including joint venture partners, proposed subcontractors, and parties otherwise related to the Bidder or the Bidder's Proposal; and
 - Require or seek out confirmation from other parties of information furnished by a Bidder.

- Appropriate penalties, including discharge and / or blacklisting shall be instituted in case of infringements of any of the above stipulations or any other transgressions not covered here-in.
- The Department reserves the right not to appoint or to appoint more than one Auctioneers depending on prevailing circumstances.

10.2 PROFESSIONAL REQUIREMENTS.

- The Auctioneering Company shall have been registered with the Livestock Auctioneering Association of South Africa/ SAIR or SAIA
- Such registration shall be valid during submission of the Bid documents.
- The Auctioneering Company shall be required to keep such a membership valid for the duration of the contract **period (36 months)**.

11. BID EVALUATION CRITERIA

The bid will be evaluated in terms of the Preferential Procurement Regulation 2017, issued in terms of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)

The bid will be awarded based on the 80/20-point scoring system comprising of the breakdown as listed in clause below

11.1 EVALUATION AND SELECTION CRITERIA

The LDARD has set minimum standards (Gates) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum Standards consist of the following:

Pre-qualification Criteria (Gate 0)	Technical Evaluation Criteria (Gate1)	Price and B-BBEE Evaluation (Gate 2)
Bidders must submit all documents as outlined in the table below . Only bidders that comply with ALL these criteria will proceed to Gate 1.	Bidder(s) are required to achieve a minimum of 60 points out of 100 points to proceed to Gate 2 (Price and BEE) Refer to section 8.3 below	Bidder(s) will be evaluated on price and B-BBEE claimed points Refer to section 8.4 below

Gate 0: Pre-qualification Criteria

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

Documents that must be submitted	Non-submission will result in disqualification	Requirement
Invitation to Bid – SBD 1	YES	Complete and sign the supplied pro forma document
Pricing Schedule – SBD 3.3	YES	Complete and sign the supplied pro forma document
Declaration of Interest – SBD 4	YES	Complete and sign the supplied pro forma document. (Must declare if they have interests in other Companies. Refer to Paragraph 2.3)
Preference Point Claim Form – SBD 6.1	YES	Non-Returnable of the supplied pro forma document will lead to Disqualification. Non-claiming of points on this form will lead to zero (0) even if a B-BBEE certificate or Original Sworn Affidavit is attached
B-BBEE Certificate/ Sworn Affidavit	NO	Bidders should submit valid B-BBEE status level verification certificates Accredited by SANAS or certificate issued by Companies and intellectual Property Commission (DTI) or original sworn affidavit thereof together with their tenders to substantiate their B-BBEE rating claims. <u>Failure to submit or submitting a copy of sworn affidavit will lead to zero (0) score on BBBEE points</u>
Joint Venture Agreement/ Power of Attorney in case of Joint Ventures	YES	Must submit Joint Venture Agreement or Power of Attorney in case of Joint Ventures
Certified copy of valid good standing with Workman Compensation Fund;	NO	The successful bidder will be required to comply with the requirements of Occupational Health and Safety Act, 85 of 1993.
Certified copy of valid UIF registration;	NO	The successful bidder will be required to comply with the UIF requirements

Criteria	Requirement
Tax compliance status	Tax status must be compliant
Business registration	Department must be in business
Company registration with central supplier database (CSD)	Bidders must be registered as a service provider on the Central Supplier Database (CSD). If not registered must proceed to complete the registration prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Attach detailed CSD registration document
In the service of the state status	Bid will not consider if Shareholders or directors are employed by state /government departments, municipalities, municipal entities, public entities unless the approval from executive authority to do remunerative work outside public service and to do business with the state is submitted with the proposal
Tender defaulting and restriction status	Department and directors must not be restricted

11.2 GATE 1: TECHNICAL EVALUATION CRITERIA = 100 POINTS

All bidders are required to respond to the technical evaluation criteria.

Only Bidders that have met the Pre-Qualification Criteria in (Gate 0) will be evaluated in Gate 1 for functionality. Functionality will be evaluated: ---

- (i) in accordance with the Evaluation criteria for functionality listed below
- (ii) out of 100 points and Bidders are required to achieve minimum threshold of 60 points to proceed to Gate 2 for Price and BBBEE evaluations.

As part of due diligence, LDARD may conduct sites visit at a client of the Bidder (reference) for validation of the services rendered. The choice of the sites will be at the LDARD`s sole discretion.

Functionality Evaluation Criteria = 100 points

The minimum score required for functionality is **60 points** to qualify for further evaluation. A bidder who scores less than **60 points** on functionality will be disqualified.

	Criteria	FUNCTIONALITY	CRITERIA	VAL UE	WEIGHT			
a)	Experience in the field	Qualified Auctioneer with experience and the qualified team	5 = 6 years' experience and above 4 = 5 years' experience 3 = 3 years' experience 2 = 2 years' experience 1 = 1 year experience 0 = no experience	5 4 3 2 1 0	40			
b)	Similar successful Work	Attach copies of appointment letters and auction report	5 = ≥R6m and above 4 = ≥R5000 000 – R6 000 000 3 = ≥R3 000 000m – R4 000 000 2 = ≥R1,5m – R2 999 999 1 = ≥R500 000 – R1 499 999 0 = ≤R500 000	5 4 3 2 1 0		30		
c)	Financial Strength	Bidder to submit Bank rating certificate/letter	5 = Rating A 4 = Rating B 3 = Rating C 2 = Rating D 1 = Rating E & below 0 = No Rating	5 4 3 2 1 0			20	
	Bidders residing within Limpopo Province. Notes: <ul style="list-style-type: none">The physical address provided will be used for in-loco inspection to confirm locality. Misrepresentation on locality will lead to deduction of points scored.	Physical address within Limpopo Province (Bidders must provide <i>documentary proof from the third (3rd) party to indicate that the company has an operating office/business premises in Limpopo Province (i.e. Municipal account, Local Authority Letter, telephone account not older than three (3) months, signed lease agreement, etc.). Refer to clause 19 (page 17) for additional information on locality.</i>)	10	10				10
		Physical address outside Limpopo Province	0	0				
		Total functionality						100

For purpose of evaluating functionality, the following values will be applicable:

Non-existent or very poor	0
Some evidence of meeting requirement	1
Demonstrates capability not strong	2
Meets requirement well	3
Very well suited and responsive to requirement	4
Perfectly suited, meets complete requirement	5

11.3 Gate 2: Price and BBEE Evaluation (80+20) = 100 points

Only Bidders that have met the **60 points** thresholds in **Gate 1** will be evaluated in **Gate 2** for Price and BBEE, will be evaluated as follows: ---

In terms of regulation 6 of the Preferential Procurement Regulations, 2017, responsive bids will be adjudicated on the 80/20 preference point system in terms of which points are awarded to bidders based on:

- The bid price (maximum 80 points); and
- B-BBEE status level of contributor (maximum 20 points)

Step 1: Calculation of points for price

- The PPPFA prescribes that the lowest acceptable bid will score 80 or 90 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis
- The formulae to be utilized in calculating points scored for price are as follows:

80/20 Preference point system [(for acquisition of services, works or goods up to a Rand value of R50 million) (all applicable taxes included)]

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid or offer under consideration

P_t = Comparative price of bid or offer under consideration

P_{\min} = Comparative price of lowest acceptable bid or offer.

- Bidders should quote for all items indicated on the specification
- The price must be expressed in terms of South African currency (ZAR) for each service on the specification.
- It is the responsibility of the bidder to consider all costs when compiling bid prices.
- Bidders must reflect all prices in the pricing schedule, and not anywhere else in their bid proposal. The Department will not accept any charges for items not reflected in the pricing schedule.

Step 2: Calculation of points for B-BBEE status level of contributor

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Step 3: Calculation of total points scored for price and B-BBEE status level of contributor

The points scored for price will be added to the points scored for B-BBEE status level of contributor to obtain the bidder's total points scored out of 100.

11. Liability

The successful bidder shall at all times be liable for the acts and omissions of its employees providing Auctioneering Services to LDARD when acting within the course and scope of their duties and employment.

The successful bidder will be held responsible for any **damage or loss** to or of **assets** suffered by the Department as a result of the bidder's officers' negligence or wilful action in the ordinary execution of their duty. As such the successful bidder is required to provide **Proof of Public Liability Insurance** will be R2 000 000 to cover loss.

The successful bidder shall furnish LDARD with a copy of the policy cover and a letter from the relevant Insurance providing such cover and certifying that the policy is effective. The policy should be valid on the commencement date of the contract and should be in force for the duration of the contract.

LDARD shall not be responsible for any injury or death of personnel, damage to any vehicles, equipment or other material used by the successful bidder in respect of the Auctioneering services provided and used on the premises caused by LDARD or any of its employees acting within the course and scope of their duties and employment.

Therefore, the successful bidder shall indemnify LDARDs against: –

- (i) Any damage to LDARD property, whether movable or immovable.
- (ii) Loss of property belonging to LDARD.
- (iii) Liability in respect of any damage to property, whether movable or immovable, belonging to third parties and on the premises of LDARD; and
- (iv) Liability in respect of death of, unlawful arrest, injury, illness, or disease to any person connected to the rendering of the Auctioneering Services.

The successful bidder shall be responsible for all costs incurred in the transportation, deployment and posting of such personnel.

6. CESSION

6.1 Cession of payments will only be permissible a registered to a registered financial institution in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 or an approved credit provider in terms of the National Credit Act of 2005

6.2 Bidders who intend to cede their rights to payment to an institution as prescribed in 8.1 should attach cession agreement with their bid proposal

12. TERMINATION OF CONTRACT

12.1 Bidders must acquaint themselves with the provisions of section 30 of the Public Service Act, 1994 (Proclamation 103 of 1994), and ensure that where applicable, natural persons who constitute the bidder comply with these laws. LDARD reserves the right to disregard a bid or cancel the contract with the successful bidder if he/she, -

- a) has failed to comply with any legal or policy requirement that the bidder must comply with in order to enter into a valid contract with LDARD, including but not limited to any public servant constituting or in the employ of the bidders not having the necessary permissions or authorisation in terms of the Public Service Act, or not having made the necessary financial disclosures to the employer or not having declared any or all interests in the bid documents;
- b) has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining any other contract with any other state institution, government department, provincial administration or public Department.
- c) after notification that the bid has been conditionally accepted, either fails, refuses or neglects or causes undue delays in the signing of the contract and service level agreement; or
- d) has entered into any arrangement or agreement with any other natural or corporate person, whether legally binding or not, to-
 - (i) refrain from bidding for this contract; or
 - (ii) bid at an agreed price.

12.2 LDARD may immediately terminate the contract without any notice to the contractor if any of the following circumstances occur or exist:

If the security contractor –

- a) commits an act of professional misconduct or professional or technical incompetence, which is substantial and serious.
- b) loses registration or good standing with
- c) South African Institute for Auctioneers (SAIA), or Livestock Auctioneering Association of South Africa or SAIR
- d) commits or participates in any unlawful, dishonest, or unethical act in the performance of its obligations under this contract; or
- e) breaches this contract twice during the contract period

13. JOINT VENTURES

- 13.1 In terms of the Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act 5 of 2000, a trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- 13.2 Should this bid be submitted by a joint venture, the joint venture agreement must accompany the bid document before the closing date and time of bid. The joint venture agreement must clearly specify the percentage of the contract to be undertaken by each company participating therein.
- 13.3 The non-submission of a B-BBEE Certificate by a trust, consortium or joint venture will result in zero (0) preference points being allocated for evaluation purposes.
- 13.4 The joint venture or consortium must submit a formal agreement that outlines the roles and responsibilities of each member of the joint venture or consortium, nomination of an authorised person to represent the joint venture or consortium in all matters relating to this bid and the details of the bank account for payments to be effected.
- 13.5 The joint venture or consortium must comply with Central Suppliers Database (CSD) registration requirements as per National Treasury directive

14. UNSATISFACTORY PERFORMANCE

- 14.1 Unsatisfactory performance occurs when performance is not in accordance with the contract conditions.
- 14.2 The departmental official shall warn the contractor in writing that action will be taken in accordance with the contract conditions unless the contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time (7 days minimum). If the contractor does not perform satisfactorily despite the warning, the official will:
- Take action in terms of its delegated powers; and
 - Make a recommendation to the Accounting Officer for cancellation of the contract concerned.
- 14.3 When correspondence is addressed to the contractor, reference will be made to the contract number/item number/s and an explanation of the complaint.

15. VALIDITY PERIOD OF BID AND EXTENSION THEREOF

The validity (binding) period for the bid will be **120 days** from close of bid. However, circumstances may arise whereby the department may request bidders to extend the validity (binding) period. Should this occur, the department will request bidders to extend the validity (binding) period under the same terms and conditions as originally offered for by bidders. This request will be done before the expiry of the original validity (binding) period.

16. NEGOTIATIONS

Bidders should note that the department might subject the successful bidder to negotiations for fair market related prices.

17. SITE INSPECTION

As part of the evaluation process of this bid, the Department will conduct site inspections on **top 3 scoring bidders** on the address provided on the tender document, failure which the company will not be considered for appointment/ the bidder will be disqualified.

18. LANGUAGE GOVERNANCE

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.

19. LOCALITY

Documentary proof from a third party - municipal account, telephone account, Local Authority Letter or a signed valid lease agreement must be submitted to corroborate the physical address of the business as indicated on **SBD 1**. Lease agreement must be signed six (6) months prior to the advertisement date of the bid. If the Lease Agreement is less than six (6) months, then the previous lease agreement must also be submitted.

20. LAW TO APPLY

The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa, and any difference that may arise with the law of the Republic of South Africa, and any difference that may arise between the Province and the Contractor in regard to the Contract, shall be settled in the Republic of South Africa.

21. PENALTIES

Subject to GCC Clause 4, if the Contractor fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Province 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 delayed goods or unperformed services, using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The province may also consider termination of the contract in terms of the GCC.

22. COMPLETION OF BID DOCUMENT

The following are minimum requirements for completion of the bid document: -

- 22.1 Bidders are required to complete the entire bid document in terms of the requirements contained herein.
- 22.2 Where the space provided in the bid document is insufficient, separate schedules may be drawn up in accordance with the given formats. These schedules shall then be bound together with suitable contents page and submitted with the bid documents.
- 22.3 All bid documents, certificates, schedules (including additional schedules as mentioned above) and all forms required by this bid must be completed in black ink and signed by the authorized signatory.
- 22.4 Only original bid document shall be accepted.
- 22.5 Bidders must ensure that there are no missing or duplicated pages. LDARD shall not accept liability in regard to claims by bidders that pages are missing or duplicated.
- 22.6 Correction fluid is not allowed and any cancellation, alteration or amendment on the bid document must be signed for by the authorised signatory.
- 22.7 Completed bid document with supporting documents shall be packaged, bound, sealed, marked and submitted strictly as stipulated in this bid document.

23. ENQUIRIES AND CLOSING DATE

23.1 Enquiries in connection with this request should be directed to the following officials: -

Admin: Ms Matodzi TS / Mononyane NM who can be contacted at 015 2943351/ 3434

Technical: Mr Mojapelo MC who can be contacted at 015 294 3349 or by email at mojapeloc@agric.limpopo.gov.za or Nkhwashu J on 015 294 3214 / zithaj@agric.limpopo.gov.za

23.2 Completed bid documents should be delivered in sealed envelopes marked **RENDERING OF AUCTIONEERING SERVICES FOR LIMPOPO DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT** to be deposited in the Tender Box at the Temo Towers

23.3 Compulsory briefing session is scheduled as follows:

Date : 03 November 2022

Venue : Department of Agriculture and Rural Dev, Agrivillage 1

Time : 10h00

23.4 The closing date of the bid is **22 November 2022** and the closing time is **11h00**.

Annexure A
GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the

cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

- provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser

may have against the supplier under the contract.

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| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily</p> |

available.

- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)