INVITATION TO BID

BID REFERENCE NUMBER: E1465

THE APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE ALL RESEARCH, CONSULTATION AND DRAFTING ACTIVITIES REQUIRED FOR THE INTRODUCTION OF AN ADMINISTRATIVE PENALTY SYSTEM INTO NATIONAL ENVIRONMENTAL LEGISLATION

Contact person:
Name: Mr Mark Jardine
Office Telephone No. : (012) 399 9497
E-Mail: MJARDINE@ENVIRONMENT.GOV.ZA.

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

<table>
<thead>
<tr>
<th>Company name</th>
<th>Supplier registration number</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Main contractor</td>
</tr>
<tr>
<td></td>
<td>Sub-contracted/ joint venture comp 1</td>
</tr>
<tr>
<td></td>
<td>Sub-contracted/ joint venture comp 2</td>
</tr>
</tbody>
</table>

NON-COMPULSORY BRIEFING SESSION WILL BE HELD AS FOLLOWS:

VENUE: DEPARTMENT OF ENVIRONMENTAL AFFAIRS ENVIRONMENT HOUSE 473 STEVE BIKO ROAD CORNER SOUTPANSBERG AND STEVE BIKO ROAD ARCADIA PRETORIA.
DATE: 28 AUGUST 2018
TIME: 10:00 AM

CLOSING DATE OF THE BID: 7 SEPTEMBER 2018 AT 11H00
PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)

BID NUMBER: E1465  CLOSING DATE: 7-09-2018  CLOSING TIME: 11:00

DESCRIPTION: THE APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE ALL RESEARCH, CONSULTATION AND DRAFTING ACTIVITIES REQUIRED FOR THE INTRODUCTION OF AN ADMINISTRATIVE PENALTY SYSTEM INTO NATIONAL ENVIRONMENTAL LEGISLATION

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

Department of Environmental Affairs; The Environment House,
473 Steve Biko Road; Cnr Soutpansberg and Steve Biko Road,
Arcadia Pretoria /Tshwane

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

<table>
<thead>
<tr>
<th>CONTACT PERSON</th>
<th>TELEPHONE NUMBER</th>
<th>FACSIMILE NUMBER</th>
<th>E-MAIL ADDRESS</th>
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</thead>
</table>
| Mr Jonas Nkitseng or Mr Samuel Mofokeng | 012 399 9056/9057 | N/A             | JNkitseng@environment.gov.za /
|                      |                  |                 | Smofokeng@environment.gov.za |

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

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<th>CONTACT PERSON</th>
<th>TELEPHONE NUMBER</th>
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<tr>
<td>Mr Mark Jardine</td>
<td>(012) 399 9497</td>
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</tbody>
</table>

SUPPLIER INFORMATION

<table>
<thead>
<tr>
<th>NAME OF BIDDER</th>
<th>STREET ADDRESS</th>
<th>TELEPHONE NUMBER</th>
<th>CELLPHONE NUMBER</th>
<th>FACSIMILE NUMBER</th>
<th>E-MAIL ADDRESS</th>
<th>VAT REGISTRATION NUMBER</th>
<th>SUPPLIER COMPLIANCE STATUS</th>
<th>TAX COMPLIANCE SYSTEM PIN:</th>
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<tr>
<td></td>
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<td>CODE</td>
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B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE

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<tr>
<th>TICK APPLICABLE BOX</th>
<th>B-BBEE STATUS LEVEL SWORN AFFIDAVIT</th>
<th>[TICK APPLICABLE BOX]</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
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[ 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?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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<tr>
<td>Yes</td>
<td>No</td>
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</table>

ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
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</tbody>
</table>

IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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DOES THE ENTITY HAVE A BRANCH IN THE RSA?

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<tr>
<th>YES</th>
<th>NO</th>
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</table>

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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</table>

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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</table>

[ 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 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: ..........................................................
NAME OF BIDDER: ……………………………………………………………………………………….. BID NO: E 1465
CLOSING TIME 11:00 CLOSING DATE: 17-08-2018

OFFER TO BE VALID FOR ……90……DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION: THE APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE ALL RESEARCH, CONSULTATION AND DRAFTING ACTIVITIES REQUIRED FOR THE INTRODUCTION OF AN ADMINISTRATIVE PENALTY SYSTEM INTO NATIONAL ENVIRONMENTAL LEGISLATION

**(ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

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

<table>
<thead>
<tr>
<th>PERSON AND POSITION</th>
<th>HOURLY RATE</th>
<th>DAILY RATE</th>
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<tbody>
<tr>
<td></td>
<td>R------------</td>
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</table>

4. PERSON AND POSITION HOURLY RATE DAILY RATE

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

<table>
<thead>
<tr>
<th>PHASE</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
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<tbody>
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</table>

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

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td></td>
<td>R</td>
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</tbody>
</table>

TOTAL: R

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance 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.

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
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<tr>
<td>TOTAL:</td>
<td></td>
<td></td>
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</tbody>
</table>

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 –

Department of Environmental Affairs

**Contact Person:** Mr Samuel Mofokeng / Mr Jonas Nkitseng

**Tel:** (012) 399 9057 or (012) 399 9055

**E-mail:** SMofokeng@environment.gov.za or JNkitseng@environment.gov.za

Or for technical information –

**Technical Contact Persons:**

**Name:** Mr Mark Jardine

**Office Telephone No.** : (012) 399 9497

**E-Mail:** mjardine@environment.gov.za
1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or

- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

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

2.2 Identity Number: ...................................................................................................................

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

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: .................................................................

2.5 Tax Reference Number: ............................................................................................................

2.6 VAT Registration Number: ........................................................................................................

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹“State” means –
(a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
(b) any municipality or municipal entity;
(c) provincial legislature;
(d) national Assembly or the national Council of provinces; or
(e) Parliament.

²“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.
2.7  Are you or any person connected with the bidder presently employed by the state?  

YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .................................................................

Name of state institution at which you or the person connected to the bidder is employed: .................................................................

Position occupied in the state institution: .................................................................

Any other particulars:

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

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

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

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?  

YES / NO

2.7.2.1 If yes, did you attach proof of such authority to the bid document?  

YES / NO

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

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

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

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

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?  

YES / NO

2.8.1 If so, furnish particulars:

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

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

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?  

YES / NO

2.9.1 If so, furnish particulars.

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

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

........................................................................................................................................
2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? YES/NO

2.10.1 If so, furnish particulars.

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? YES/NO

2.11.1 If so, furnish particulars:

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

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Income Tax Reference Number</th>
<th>State Employee Number / Persal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>
4 DECLARATION

I, THE UNDERSIGNED (NAME)…………………………………………………………………………………..

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.................................................. .................................................................
Signature                                      Date

.................................................. .................................................................
Position                                      Name of bidder

November 2011
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:

<table>
<thead>
<tr>
<th></th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRICE</strong></td>
<td>80</td>
</tr>
<tr>
<td><strong>B-BBEE STATUS LEVEL OF CONTRIBUTOR</strong></td>
<td>20</td>
</tr>
<tr>
<td><strong>Total points for Price and B-BBEE must not exceed</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

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) B-BBEE Status level certificate issued by an authorized body or person;
   2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
   3) Any other requirement prescribed in terms of the B-BBEE Act;
(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 OR 90/10 PREFERENCE POINT SYSTEMS
A maximum of 80 or 90 points is allocated for price on the following basis:

\[
P_s = 80 \left( 1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\text{min}}}{P_{\text{min}}} \right)
\]

Where
\[
P_s = \text{Points scored for price of bid under consideration}
\]
\[
Pt = \text{Price of bid under consideration}
\]
\[
P_{\text{min}} = \text{Price of lowest acceptable bid}
\]

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:
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 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)*

7.1.1 If yes, indicate:

i) What percentage of the contract will be sub-contracted.......................%  

ii) The name of the subcontractor.................................................................

iii) The B-BBEE status level of the subcontractor.................................

iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

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

<table>
<thead>
<tr>
<th>Designated Group: An EME or QSE which is at last 51% owned by:</th>
<th>EME ✓</th>
<th>QSE ✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black people</td>
<td></td>
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</tr>
<tr>
<td>Black people who are youth</td>
<td></td>
<td></td>
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<tr>
<td>Black people who are women</td>
<td></td>
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<tr>
<td>Black people with disabilities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 ............................................
............................................
............................................

WITNESSES

1. ............................................
2. ............................................
**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

1. This Standard Bidding Document must form part of all bids invited.

2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3. The bid of any bidder may be disregarded if that bidder, or any of its directors have-
   a. abused the institution’s supply chain management system;
   b. committed fraud or any other improper conduct in relation to such system; or
   c. failed to perform on any previous contract.

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

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>
| 4.1  | Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  
      (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). |     |    |
|      | The Database of Restricted Suppliers now resides on the National Treasury’s website ([www.treasury.gov.za](http://www.treasury.gov.za)) and can be accessed by clicking on its link at the bottom of the home page. |     |    |
| 4.1.1| If so, furnish particulars:                                                                                                               |     |    |
| 4.2  | Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?  
      The Register for Tender Defaulters can be accessed on the National Treasury’s website ([www.treasury.gov.za](http://www.treasury.gov.za)) by clicking on its link at the bottom of the home page. |     |    |
| 4.2.1| If so, furnish particulars:                                                                                                               |     |    |
| 4.3  | Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? |     |    |
| 4.3.1| If so, furnish particulars:                                                                                                               |     |    |
| 4.4  | Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? |     |    |
4.4.1 If so, furnish particulars:

SBD 8

CERTIFICATION

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

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

..................................................  ..................................................
Signature                  Date

..................................................  ..................................................
Position                   Name of Bidder
CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
   a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

I, the undersigned, in submitting the accompanying bid:

________________________________________________________________________

(Bid Number and Description)

in response to the invitation for the bid made by:

______________________________________________________________________________

(Name of Institution)

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

I certify, on behalf of:_______________________________________________________ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a) has been requested to submit a bid in response to this bid invitation;
   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
   (a) prices;
   (b) geographical area where product or service will be rendered (market allocation)
   (c) methods, factors or formulas used to calculate prices;
   (d) the intention or decision to submit or not to submit, a bid;
   (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
   (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

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

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

..................................................................................................................
Signature                  Date

..................................................................................................................
Position                   Name of Bidder

Js914w 2

TERMS OF REFERENCE
FOR THE APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE ALL RESEARCH, CONSULTATION AND DRAFTING ACTIVITIES REQUIRED FOR THE INTRODUCTION OF AN ADMINISTRATIVE PENALTY SYSTEM INTO NATIONAL ENVIRONMENTAL LEGISLATION
TABLE OF CONTENTS

1. Purpose  
2. Introduction and Background  
3. Objectives of the proposal  
4. Scope and extent of work  
5. Expected deliverables/outcomes  
6. Period/Duration of project/assignment  
7. Costing/Comprehensive budget  
8. Mandatory requirements  
9. Special conditions  
10. Identification of preference point system  
11. Pre-qualification criteria, objective criteria and subcontracting  
12. Tenders to be evaluated on functionality  
13. B-BBEE requirements  
14. Local production and content  
15. Subcontracting as condition of tender  
16. Subcontracting after award of tender  
17. Payment terms  
18. Technical enquiries  
19. Guidance for evaluation committee  
20. Checklist for Evaluation criteria
1. PURPOSE
To appoint a service provider to undertake all research, consultation and drafting activities required for the introduction of an Administrative Penalty System into national environmental legislation.

2. INTRODUCTION AND BACKGROUND

2.1 Background
There are currently 3 primary mechanisms available to Environmental Management Inspectors (EMIs) to undertake enforcement action against persons who do not comply with national environmental legislation. Firstly, there are administrative enforcement tools such as directives and other notices that seek to compel a contravener to remediate or rehabilitate the harm that they have caused, are causing or may cause to the environment. Secondly, environmental authorities may approach a court of law on a civil basis to obtain a court order to prevent, contain or minimise adverse impacts on the environment where all internal remedies have unsuccessfully been exhausted. Both the administrative and civil remedies are aimed at bringing the offenders back into compliance. Finally, criminal enforcement is available, mainly as a punitive mechanism that seeks to punish the offender for the criminal offence that they have committed.

The only way to obtain a punitive monetary order against a violator (other than through the NEMA section 24G “administrative fine”) is to obtain a conviction and sentencing (either through trial, plea and sentence agreements or admission of guilt fines) of that offender in a criminal court of law. Due to various challenges in using criminal sanctions as effective mechanism to punish environmental offenders, it has been proposed that an additional legislative mechanism is used to supplement the existing set of enforcement mechanisms: administrative penalties.

This system may result in a monetary fine for a violation or contravention of the law being imposed by the regulator or an independent tribunal. Administrative penalties are increasingly being used internationally for many regulatory functions – examples
include: United States, Canada, Finland, Germany, Belgium, Greece, Italy, Spain, Sweden, Portugal, Mexico, Peru, Equatorial Guinea, UK, Netherlands, Australia, Ukraine, Moldova, Armenia, Kyrgyzstan, Russia, Kazakhstan, Georgia, and Belarus

In South Africa, administrative penalties have not as yet been applied in the environmental sector, however, they are currently included in competition, customs, traffic and company laws.

2.2 Nature and form of administrative penalties

An administrative penalty is a monetary fine for legal violation/contravention of a law outside of criminal proceedings. Administrative fines are imposed either by regulator or an independent tribunal. The courts are not involved in the proceedings. For example in competition law, the Competition Commission investigates the contravention (much like EMIs) and if it decides that a fine should be imposed it makes submissions to the Tribunal. The alleged contravener is afforded an opportunity to make representations before a fine is imposed. It is only in the case of an appeal that it will reach the Competition Appeal Court.

Administrative penalties may be described as a hybrid sanction, as they have both criminal and civil law elements. They resemble criminal law fines because they are financial and punitive in nature, but the process in which they are imposed is civil. Given the lower standard of proof required for administrative penalties – a balance of probabilities - and the stigma and coercive nature of criminal prosecution, administrative penalties appear to be used by other jurisdictions for environmental law violations that are not egregious enough to warrant criminal prosecution.

2.3 Potential Benefits of Administrative Penalties

The potential benefits of administrative penalties include the following:

- The formulation of the case and calculation of proposed administrative penalties are within the control of environment authorities. Violations do not have to be sent to the National Prosecuting Authority or argued in criminal court, so burden on state attorneys, police services, public prosecutors and criminal courts is reduced, and cases do not have to compete with other crimes in the criminal justice system.
• Due to the fact that administrative fines are purely monetary in nature, the proof of the violation can be required on the civil standard – a balance of probabilities. This means easier evidence collection, quicker case formulation and outcome, more pressure to settle and pay the fine.

• Administrative penalties have quicker, streamlined procedural requirements that can be flexible and less formal.

• Since administrative penalties have less of a potential for reputational damage, or stigma (criminal record) as criminal prosecution, offenders are also less likely to dispute an administrative penalty as opposed to a criminal fine.

• International experience shows that in administrative penalty systems, more complaints are lodged for adjudication or settlement, more environmental violations are pursued, and more fines are imposed. This means that administrative penalties can provide a credible threat of legal sanctions which is essential in promoting compliance.

• As an administrative penalty system may provide a meaningful, transparent and consistent regulatory response to environmental violations. The regulated community knows where it stands and administrative penalties may become regarded as an instrument of fairness; as it is equally applied to the entire regulated community. Industries that incur the costs required to comply with environmental laws support the penalisation of those competitors that obtain an unfair advantage from non-compliance.

2.4 Existing collaborative research project

Realising the potential benefits of introducing an administrative penalty system into South African environmental legislation to supplement the existing criminal sanction regime, the national Department of Environmental Affairs (DEA) entered into a collaborative research project with other stakeholders to undertake a preliminary round of research into the feasibility of applying administrative penalties to contraventions of national environmental legislation. This collaborative research project has been broken down into 3 areas, namely:
• **Area 1: analysis and assessment of the current South African Environmental Enforcement system:**

The first area of research in respect of the administrative penalty system focuses on an analysis of the current environmental enforcement system, with a focus on criminal enforcement mechanisms as well as section 24G of NEMA, in order to determine the strengths and weaknesses of the existing regime, and to assess the impacts (both positive and negative) that the inclusion of an administrative penalty system may bring. In furtherance of this research area, the Department, together with one of its volunteer research partners visited each of the EMI Institutions in order to gather information about a) the effectiveness of the use of criminal sanctions in response to environmental contraventions; and b) the impact of section 24G on deterrence. In addition, separate desktop assessments were done on the design of the S24G calculator; as well as the suitability of the quantum of fines generated from its application to instances of illegal commencement.

The survey that was developed for the criminal sanctions included questions directed at ascertaining the general working relationships between the EMI and other criminal justice stakeholders (such as the SAPS and the NPA); the average time taken to finalise criminal cases as well as the suitability of sentences handed down to convicted persons. In addition, interviewees were requested to provide their opinion on the types of contraventions that they regarded as appropriate for the imposition of an administrative penalty; as well as a preference for a centralised, national or a de-centralised, provincial system. Finally, they were requested to provide an opinion on whether they regarded the introduction of an administrative penalty system as a threat or a supplement to the criminal sanctions already provided for in environmental legislation.

Fines that are imposed in terms of section 24G are the sole source of government experience in using a system of administrative fines in the environmental context. Because of this and the punitive element that is included in the fine, section 24G can be used as a proxy indicator to explore people’s perceptions and responses to administrative fines in the environmental context and to make observations about the possible design of an administrative penalty system in South Africa. The volunteer research partner undertook a survey of representatives from
government, the regulated community and environmental consultants, which yielded findings relating to extent to which there is awareness of and knowledge about section 24G; the influence that experience has had on the regulated community; the triggers for non-compliance and the effect of government’s performance on the perceptions of the regulated community. In addition, a critical analysis of the S24G fine quantum calculator was undertaken, as well as the identification of 2 case studies that sought to assess the adequacy of S24G fines issued in relation to the actual remedial/rehabilitation costs.

- **Area 2: Comparative Study of International and Domestic Administrative Penalty Systems:**
  There are many international countries (for example, United States, Canada, Finland, Germany, Belgium, Greece, Italy, Spain, Sweden, Portugal, Mexico, Peru, Equatorial Guinea, UK, Netherlands, Australia, Ukraine, Moldova, Armenia, Kyrgyzstan, Russia, Kazakhstan, Georgia, and Belarus) that use administrative penalty systems for regulatory functions, including for environmental contraventions. In addition, a number of pieces of South African legislation (Companies Act, Competition Act, Employment Equity Act, SARS, AARTO) provide for the imposition of administrative penalties in various sectors.

  A survey was designed for government entities in order to elicit feedback relating to the various legal, institutional and funding models that have been established in both developed and developing countries in order to implement an administrative penalty system, including issues of autonomy, human and financial resources, prioritisation and categorisation, business processes, reporting and impact/effectiveness. One of its volunteer research partners obtained feedback from 6 countries, namely China, Brazil, United Kingdom, Netherlands and the Philippines. DEA used the same questionnaire to gather responses from the Financial Intelligence Centre (South Africa).

- **Area 3: Design and Implementation of an Administrative Penalty System in a South African Environmental Enforcement Context:**
  This phase of the research will constitute the second phase of the project, and will seek to apply the key findings from Areas 1 and 2. In other words, once the current
South African environmental enforcement system has been analysed and assessed, and potential areas of improvement have been identified, the models and experiences of administrative penalties in developed and developing countries will be explored in order to ascertain if they offer any valuable insights in the design and implementation of a possible South African model. Once ideal models have been selected from the abovementioned process, additional research/consultation will be required in collaboration with key role-players regarding the potential practical implementation of the model from a constitutional, legal, financial and institutional/organisational perspective.

A significant portion of the research identified under Areas 1 and 2 of the collaborative research project has been executed, however, in order to move in Area 3: Design and Implementation of an Administrative Penalty System in a South African Environmental Enforcement Context, the Department requires the services of an external service provider to build on the existing research undertaken, by undertaking all further research, consultation and drafting activities required for the introduction of an Administrative Penalty System into national environmental legislation.

3. OBJECTIVES

The objective of this Request for Proposal is to appoint a suitable service provider to undertake all research, consultation and drafting activities required for the introduction of an Administrative Penalty System into national environmental legislation.

4. SCOPE AND EXTENT OF WORK

The service provider will be expected to undertake the following key activities in the execution of the work:

4.1 Review of existing research undertaken and gap identification:
The existing research undertaken by DEA and the collaborative research group (as referred to in 2.4 (above) will serve as a reference point for the service provider to this
project - reports generated from previous research conducted will be provided by DEA. However, the service provider is required to identify gaps where further research is required; or instances where further or more in-depth research is required in areas where previous research has already taken place.

4.2 Undertake further research based on gap-analysis report; and develop consolidated research report:
Identify and execute further research not already covered by the existing research into administrative penalties for environmental contraventions. Based on the results of the gap-analysis report, the service provider will be required to undertake the full scope of research required to develop a Discussion Document for the introduction of an Environmental Administrative Penalty System in South Africa according to all of the requirements set out in 4.3 below, including, but not limited to, the identification of appropriate contraventions across NEMA and all of the SEMAs (including subordinate legislation), identification of the appropriate adjudicating/issuing authority across all 3 spheres of government etc.

4.3 Development of a draft Discussion Document for the introduction of an Environmental Administrative Penalty System in South Africa (incorporating the requirements for an initial Social Economic Impact Assessment (SEIAs)):
Based on an analysis of the research undertaken in terms of 4.1 and 4.2 above, develop a draft Discussion Document for the introduction of an Environmental Administrative Penalty System in South Africa. This document will incorporate the requirements for an initial SEIAs; and serve as the baseline for further consultation with government stakeholders

In addition to meeting the requirements of an initial SEIAs, the draft Discussion Document must also provide various models or options of administrative penalty systems that could be applied effectively in the environmental enforcement context in South Africa, as well as the implications of each model/option in relation to each of

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1 The Department of Monitoring and Evaluation (DPME) requires the undertaking of an initial Social Economic Impact Assessment (SEIAs) whenever a legislative amendment is considered. The purpose of this initial SEIAs is to ensure that a solid policy basis is developed by facilitating the proper identification of the problem (and the root causes thereof), the main beneficiaries and cost bearers of the proposal, exploring the various options for responding to the problem (with legislation being one possibility), including the implementation costs & costs, as well as the desired outcomes and risks for each option.
the key areas specified below. It must also cover the following minimum content, so as to enable stakeholders to engage with the document in a substantive manner:

**Institutional arrangements:**
- Who adjudicates or issues the administrative penalty?
- Is it established on a national/ provincial or local level?
- What type of capacity (human resources and financial) is required to implement an administrative penalty in South Africa?
- What is the relationship between the administrative penalty adjudicator and other criminal justice institutions (National Prosecuting Authority, Judiciary)?
- What checks and balances need to be put in place to ensure that administrative penalties are issued fairly and objectively?

**Identification of suitable contraventions:**
- After proper review of NEMA and all SEMAs and subordinate legislation, identify the violations/ contraventions that can be appropriately punished through administrative penalties.
- Is it advisable to develop thresholds/ distinctions within each identified contravention?
- Is it possible for one contravention to attract both or either an administrative penalty and criminal prosecution? If so, how is a particular route chosen?

**Processes:**
- What procedure is followed in order to impose an administrative penalty?
- What is the process if someone wants to appeal an administrative penalty imposed?
- What is the relationship between the administrative penalty system; and the existing administrative, criminal and civil enforcement processes, including sections 24G of NEMA and 22A of NEMAQA?
- What are the consequences of the non-payment of the fine?

**Fines:**
- What happens to the fine once it is paid and is it possible to ring-fence it for compliance and enforcement purposes?
- Does one distinguish between types of contraventions that require a fixed or a variable penalty and what criteria should be applied?
- How is the quantum of the fine determined and how does it cater for repeat offenders?
- Does the quantum include both a restorative and punitive component?

**Reporting/ Publicity:**
- Are the recipients of the fine required to report/ publicise the fact that they have received an administrative penalty for the contravention of national environmental legislation.
What are the information needs and requirements to ensure database of fines/ identification of repeat transgressors etc.?

4.4 Support the Department in undertaking consultation with relevant government stakeholders on the draft Discussion Document
Once the Discussion Document has been compiled to the satisfaction of the national Department, it will need to undergo a consultation process with, at least, the institutions that form part of the Environmental Management Inspectorate, namely national statutory bodies, such as SANParks and Isimangaliso, provincial environmental and parks authorities; as well as local authorities. Based on the scope of the Discussion Document, there may be a need for consultation with additional stakeholders, including (but not limited to) the Department of Water and Sanitation and the Department of Mineral Resources.

4.5 Finalisation of the draft Discussion Document and development of an EMI Policy on Environmental Administrative Penalties
Based on the feedback elicited from the consultation process executed in 4.4 above, the service provider will be required to assess, analyse and incorporate the input received, thereby converting the draft into a final Discussion Document. This final Discussion Document (including the various models/options) will then be subject to the relevant Departmental and sectoral approval processes and fora, including the Ministerial technical (MINTECH) and Ministerial political (MINMEC) structures. Once approved, the final Discussion Document will become the official EMI Policy on Environmental Administrative Penalties. This policy document must be drafted in such a manner that it will serve as a firm policy basis from which the Department can commence with the drafting of legislative provisions, in the form of a draft amendment Bill necessary to implement an administrative penalty system in South Africa.

4.6 Drafting of a draft amendment Bill necessary to implement the administrative penalty system
Once the EMI Policy on Environmental Administrative Penalties has received the requisite approvals, the service provider will commence with the drafting of appropriate
provisions to amend NEMA and/or the SEMAs for the purposes of inclusion of an administrative penalty system.

5. **EXPECTED DELIVERABLES / OUTCOMES**

In line with the scope of work set out in 4 above, the following outcomes/deliverables will be expected from the service provider.

<table>
<thead>
<tr>
<th>Step</th>
<th>Deliverable/Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Assess the research already undertaken by the collaborative research group and identify gaps requiring further research</td>
</tr>
<tr>
<td>2.</td>
<td>Undertake further research required to develop a comprehensive Discussion Document as identified in the gap analysis report; and consolidate new research with existing information into a consolidated administrative penalty research report</td>
</tr>
<tr>
<td>4.</td>
<td>Consultation on the draft Discussion Document with relevant government stakeholders</td>
</tr>
<tr>
<td>5.</td>
<td>Development of the final Discussion Document incorporating input from the stakeholder consultation process</td>
</tr>
<tr>
<td>6.</td>
<td>Support the approval of the final Discussion Document; and transformation into the National EMI Policy on Administrative Penalties</td>
</tr>
<tr>
<td>7.</td>
<td>Development (if appropriate) of an Amendment Bill to provide</td>
</tr>
</tbody>
</table>
6. **PERIOD / DURATION OF PROJECT / ASSIGNMENT**
   The Project will endure for a period of 24 months after the signing of a memorandum of agreement by both parties.

7. **COSTING / COMPREHENSIVE BUDGET**
   Comprehensive budget must be provided in a separate envelope inclusive of all disbursement costs, expenses and VAT.

8. **SPECIAL CONDITIONS OF CONTRACT**

   8.1 The performance measures for the delivery of the research, consultation and drafting activities required for the introduction for the introduction of an Administrative Penalty System into national environmental legislation will be closely monitored by DEA.

   8.2 The Service Provider/s will submit quarterly progress reports to the Programme manager, within 4 days after the end of each quarter for the duration of the project. Failure to submit the required reports on time will result in penalties.

   8.3 The Programme manager shall do the ongoing management of the Service agreement.

   8.4 The Service Provider/s must guarantee the presence of the senior in charge of fieldwork throughout the duration of the contract. Prior to the appointment of a replacement, the Programme Manager must approve such appointment. If the senior has to leave the project, a period of at least a month is required in which the senior must work parallel with the next person (senior consultant with similar expertise and equal years of experience) appointed to be able to transfer skills and knowledge.

   8.5 All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract the special conditions of contract will prevail.

   8.6 Please take note that DEA is not bound to select any of the firms submitting proposals. DEA reserves the right not to award any of the bids and not to award the contract to the lowest bidding price.
8.7 Bidders must score a minimum of 75% (The minimum qualifying score that must be obtained for functionality in order for a tender to be considered further should not be generic. It should be determined separately for each tender on a case by case basis. The minimum qualifying score must not be prescribed so low that it may jeopardize the quality of the service required nor so high that it may be restrictive to the extent that it jeopardizes the fairness of the SCM system) for stage 1 (functionality / technical) of the evaluation to qualify for stage 2 (price and B-BBEE) of the evaluation.

8.8 The proposal should include, amongst other, the following:
A proposed plan of action;
A list of references;
Ability to ensure continuing of staff on the project.

8.9 A valid copy of the Tax Clearance Certificate/ Tax Compliance Status Pin issued by SARS to the supplier,copy of Central Supplier Database (CSD)/ MA supplier Number must be submitted together with the bid.

8.10 Failure to submit a valid tax clearance certificate/Tax compliance pin/copy of CSD MAAA supplier number may result in the invalidation of the bid.

8.11 In case of bids where Consortia / Joint Ventures / Sub-contractors are involved, such must be clearly indicated and each party must submit a separate copy of a valid Tax Clearance Certificate or copy of Tax Compliance Status Pin or CSD/ MA supplier Number together with the bid.

8.12 Comprehensive Curriculum Vitae’s of the staff who will be available for the duration of the work must be attached.

8.13 The bid proposals should be submitted with all required information containing technical information.

8.14 DEA Entity Maintenance form included in the bid documents must be completed and returned with the bid proposals).

8.15 Bidders must be prepared to work at rates not exceeding those prescribed by the office of the Auditor-General or the Department of Public Service and Administration (DPSA).

8.16 A breakdown of the hourly tariff inclusive of value-added tax for services rendered. Expenditure incurred without the prior approval of the Programme manager will not be reimbursed

8.17 DEA will not be held responsible for any costs incurred by the bidder in the preparation, presentation and submission of the bids.
8.18 Travelling costs and time spent or incurred between home and office of consultants and DEA office will not be for the account of DEA.

8.19 Skills transfer to DEA officials

8.20 Intellectual property rights will belong to DEA.

8.21 Bidders must submit two identical proposals for each bid clearly marked “original” and “copy”.

8.22 DEA reserves the right to award the contract to one or more than one service provider or only part thereof e.g. (per District/ Municipality or Province)

8.23 Progress reports (soft copy) must be submitted quarterly in an editable format.

8.24 Before any work can commence the service level agreement must be signed by both parties (DEA and the successful bidder) as well as the issue of an official order and should there be any dispute regarding the finalisation of the agreement, DEA reserves the right to cancel the contract with no cost implications for the Department.

8.25 The evaluation of Bids can only be done on the basis of information required by the Department.

8.26 Suppliers/Service Providers are requested to submit the original and valid B-BBEE Status Level Verification Certificate or certified copies thereof issued by verification agencies accredited by SANAS or registered auditors approved by IRBA or SWORN Affidavit certified by Commissioner of Oath together with their bids, to substantiate their B-BBEE rating claims, failing which the B-BBEE preference points claimed will be forfeited

8.27 Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process. They will score zero (0) points out of 20 for B-BBEE.

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

8.29 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

8.30 Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their bids.
8.31 A bidder will not be awarded the points claimed for B-BBEE status level of contribution if it is indicated in the bid documents that such a bidder intends subcontracting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME (Exempted Micro Enterprise) that has the capacity and the ability to execute the sub-contract.

8.32 A contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have equal of higher B-BBEE status level, unless the intended sub-contractor is an EME (Exempted Micro Enterprise) that has the capability and ability to execute the sub-contract.

8.33 Prospective suppliers and / or public entities interested in pursuing opportunities with the Department and within the South African government, should be registered on the National Treasury Central Supplier Database. This self-registration application represents an expression of interest from the supplier to conduct business with the Department and the South African government.

8.34 Prospective suppliers and / or public entities must provide the department with their CSD registration number and unique reference number on submission of their bid proposals including those of sub-contractors and / or joint venture companies.

8.35 Prospective bidders must submit their bid proposals in two envelopes:
   a) One envelope with the technical proposal including the following:
      - A valid and original Tax Clearance Certificate issued by SARS.
      - Entity registration Certificate (CK1)
      - A response to the terms of reference.
      - A project plan that states the methodology and approach for accomplishing the task, project phases if applicable, time frames and outputs (excluding cost for the project).
      - profile of the company and description of similar work undertaken,
      - numbers, names and CVs of consultants assigned to the project, including their roles and responsibilities,
      - Agreement between service providers in the case of a joint venture/Consortium
      - Letter of authority to sign documents on behalf of the company/joint venture/Consortium
   B) The other envelope with the financial proposal (pricing schedule (SBD3.3) or Other spread sheets with all cost related items, cost breakdown) (original)

8.36 The following information must be endorsed on each envelope:
   - Bid number:
   - Closing date:
   - Name of the Bidder:
   - Technical Proposal or Financial Proposal

8.37 No financials should be included in the technical proposal (envelope), Failure to comply With these conditions may result in a bid being disqualified.
8.38 A non-compulsory briefing session will be held on the 28th August 2018 at the Department of Environmental Affairs, Environment House, 473, Steve Biko Road, corner Soutpansberg and Steve Biko Road, Arcadia.

9. Identification of preference point system

9.1 The department must determine and stipulate the following in the tender documents:
   i) the preference point system applicable to the tender is 80/20

10 Tenders to be evaluated on functionality

10.1 All bid proposals submitted will be evaluated in accordance with the 80/20 principle and the evaluation criteria should be as follows:

10.2 Values used on functionality:

\[
0 = \text{Non-compliance, } \quad 1 = \text{Poor; } \quad 2 = \text{Fair; } \quad 3 = \text{Average; } \quad 4 = \text{Good; } \quad 5 = \text{Excellent}
\]

Stage 1 evaluation criteria: The bidder must score a minimum of 75% (depending on the nature of the project) during Stage 1 (functionality / technical) of the evaluation to qualify for Stage 2 of the evaluation where only points for price and B-BBEE will be considered.

<table>
<thead>
<tr>
<th>No.</th>
<th>Category</th>
<th>Weight/Value</th>
<th>Score</th>
<th>Total (Weight X Value awarded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>FUNCTIONALITY</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Bidder’s understanding of the brief and method to be employed, including the proposed approach for achieving the Scope and Extent of work with a detailed plan of action to achieve these objectives.</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Capability (profiles of key project team members and persons to be assigned to the project) clearly showing experience or knowledge in the conducting of research, environmental and administrative law, enforcement and the drafting of policy and legislation. Comprehensive CVs must be attached.</td>
<td>40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Experience of key project team members and persons to be assigned to the project</td>
<td>15</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. The company’s experience and track record in any of the following fields: the conducting of research, environmental and administrative law, enforcement, drafting of policy and legislation, inclusive of a list of clients provided with a similar service of the same nature to be provided (provide details of at least 4 contactable references).  

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

12 REQUIREMENTS FOR B-BBEE  

a) A tenderer must submit proof of its B-BBEE status level of contributor.

b) A tenderer failing to submit proof of B-BBEE status level of contribution or is a non-compliant contributor to B-BBEE may not be disqualified, but

i) May only score points out of 80 for price, and

ii) Scores 0 points out 20 for B-BBEE

c) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends to subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.

d) The points scored by a tenderer for B-BBEE contribution must be added to the points scored for price

e) The points scored must be rounded off to the nearest to the nearest two decimal places.
f) The contract will be awarded to the tenderer scoring the highest points

g) A bid will not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score 0 out of a maximum of 20 points for B-BBEE.

13 Payment terms

DEA undertakes to pay out in full within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the Service Provider/s until that outstanding information is submitted.

14 Technical enquiries

Should you require any further information in this regard, please do not hesitate to contact:

Name: Mr Mark Jardine
Office Telephone No. (012) 399 9497
E-Mail: mjardine@environment.gov.za
GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT

July 2010
GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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

“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.

“GCC” means the General Conditions of Contract.

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

“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.

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

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

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

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

“Purchaser” means the organization purchasing the goods.

“Republic” means the Republic of South Africa.

“SCC” means the Special Conditions of Contract.

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

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

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

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

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

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

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

## 8. Inspections, Tests and Analyses

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

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

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

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

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

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

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

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

14. Spare parts

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

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

(b) in the event of termination of production of the spare parts:
   (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
   (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier’s performance

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

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

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

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the
supplier’s point of supply is not situated at or near the place where the
supplies are required, or the supplier’s services are not readily
available.

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

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

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that no additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post. Please ensure information is validate as per required bank screens.

I/We understand that bank details provided should be exactly as per record held by the banks.

I/We understand that the Department will not be held liable for any delayed payments as a result of incorrect information supplied.

### Company / Personal Details

<table>
<thead>
<tr>
<th>Registered Name</th>
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<tbody>
<tr>
<td>Trading Name</td>
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### Address Detail

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### New Detail

- [ ] New Supplier information
- [ ] Update Supplier information

Supplier Type:

- [ ] Individual
- [ ] Department
- [ ] Partnership
- [ ] Company
- [ ] Trust
- [ ] Other (Specify)
- [ ] CC

Department Number:  

56 of 57
### Supplier Account Details

(Please note that this account MUST be in the name of the supplier. No 3rd party payments allowed)

<table>
<thead>
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<th>Account Name</th>
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**Bank screen info**

- **ABSA-CIF screen**
- **FNB-Hogans system on the CIS4/CUPR**
- **STD Bank-Look-up-screen**
- **Nedbank- Banking Platform under the Client Details Tab**

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<td>Bond Account</td>
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<td>Passport Number</td>
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<td>Company Registration Number</td>
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<td>*CC Registration</td>
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*Please include CC/CK where applicable*

### Supplier Contact Details

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<td>Cell Extension</td>
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<tr>
<td>Email Address</td>
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</table>

**Contact Person:**

<table>
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<th>Supplier Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print Name</td>
</tr>
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**Date** (dd/mm/yyyy)

**NB:** All relevant fields must be completed