



**REQUEST FOR PROPOSAL FOR THE PROVISION OF FINANCIAL MANAGEMENT SUPPORT SERVICES FOR EC
CET COLLEGE FOR A PERIOD OF THREE (3) YEARS**

BID NO : RFP-EC CETC/HO/01/11/2025
CLOSING DATE: 09 December 2025
CLOSING TIME: 11H00

ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department:	Finance Department
Contact Person:	Ms. Ondzela Mahlati
Tel:	043 753 0060
E-mail address:	omahlati@ec.cetc.edu.za

ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Department:	Finance Department
Contact Person:	Mr. P. Tali
Tel:	043 753 0060
E-mail address:	ptali@ec.cetc.edu.za

NAME OF BIDDER: _____

INDEX

NO.	DESCRIPTION	FORM NUMBER	PAGE NUMBERS
1	Advertisement		3-5
2	Invitation to Bid and Bid Specification/Terms of Reference Form SBD 1	SBD 1	6-7
3	Banking Details		8
4	Terms of Reference		9-19
5	Tax Clearance Certificate Requirements	SBD 2	20
6	Pricing Schedule – Firm Prices	SBD 3.1	21
7	Declaration of Interest	SBD 4	22-25
8	Preference Points Claim Form	SBD 6.1	26-30
9	General Specification and Contract Conditions (Eastern Cape CET		31-38
10	General Conditions of Contract		39-49
11	Past Experience in Similar Projects (Other Institutions)		50
12	Past Experience in Similar Projects (Eastern Cape CET College)		51
13	Mandatory documents check list		52



BID NOTICE

BID DESCRIPTION	SITES	BID NUMBER	COMPULSORY BRIEFING SESSION	CLOSING DATE
REQUEST FOR PROPOSAL FOR THE PROVISION OF FINANCIAL MANAGEMENT SUPPORT SERVICES FOR EC CET COLLEGE FOR A PERIOD OF THREE (3) YEARS	Head Office	RFP-EC CETC/HO/01/11/2025	N/A	09 December 2025
				CLOSING TIME: 11:00am

Eastern Cape CET College invites professional, competent and experienced service providers to submit proposal for the **PROVISION OF FINANCIAL MANAGEMENT SUPPORT SERVICES FOR EC CET COLLEGE FOR A PERIOD OF THREE (3) YEARS**. Bid documents will be available from the SCM unit, etenders(<https://www.etenders.gov.za/>) and college website <https://ec.cetc.edu.za/tenders/>

Completed Bid documents are to be placed in a sealed envelope endorsed “**REQUEST FOR PROPOSAL FOR THE PROVISION OF FINANCIAL MANAGEMENT SUPPORT SERVICES FOR EC CET COLLEGE FOR A PERIOD OF THREE (3) YEARS,(BID NUMBER)**” and must be deposited in the bid box/tender box, situated at the reception area, at : **EASTERN CAPE CET COLLEGE,BORDER TRAINING CENTRE (BTC);10 MFAXA ROAD NU1 MDANTSANE,EAST LONDON,5219** not later than **11h00 on Tuesday 09 December 2025**, at which time the Bids will be opened in public.

The following mandatory documents must be submitted with the tender document and failure to submit will lead to the bids being declared non-responsive:

- Valid tax clearance certificate and tax compliance status documents with pin from SARS must be attached.
- A copy of business entity registration certificate e.g. CK Document
- A certified ID copy/s of company directors not older than 3 months
- **Resolution of the Company Directors must be duly completed and signed, and an original copy must be submitted.**
- A company profile with completed projects for similar work and contactable references.
- Municipal Statement of account not older than three (3) months or Lease agreement if renting premises stating that the bidder is not obliged to pay municipal rates or letter from Ward Council confirming proof of address (rural areas bidders only)
- **Proof of registration with Central Supplier Database (CSD) must be attached.**
- **Detailed Pricing schedule on a company letterhead** (If the Bid Sum (amount in words) as per the SBD.1 differs from the SBD 3.1, it will automatically invalidate the offer submitted).
- **Proof of valid registration and affiliation with South African Institute of Chartered Accountants (SAICA) for the project manager.** Any bidding document without proof of valid registration and affiliation with SAICA for the person assigned to the project will be rejected.

Please note the following:

- Tender documents must be completed with non-erasable ink. Any tender document completed with pencil will not be acceptable and shall be disqualified.
- Ensure that there are no errors or omissions as this may lead to bids being declared nonresponsive.
- The submission should be entirely legible. Any changes made to the original text of bid should be crossed through and signed for.
- **DO NOT USE CORRECTION FLUID** as this may invalidate your submission.

Evaluation Criteria for this procurement will be as follows:

- **Stage 0 – Pre-qualification (Compliance to mandatory requirements as listed above).** The college will only consider a bid if the relevant bidder meets the pre-qualification criteria mentioned above. Where a bidder fails to meet the pre-qualification criteria, the bid will be considered an unacceptable bid and will be disqualified from further evaluation.
- **Stage 1 – Functionality (Attached)**
- **Stage 2 - Price and Specific goals**

NB: all bidders should at least obtain a minimum of 80% in stage 1 (functionality) in order to qualify for stage 2 (Price Evaluation).

Price Points	= 80
Specific goals	= <u>20</u>
TOTAL	=100

“On the 04 November, the minister of Finance gazetted new Preferential Procurement Regulations (2022 Regulations) under the Preferential Procurement Policy Framework act, 2000 (PPPFA), this was aimed at aligning the regulations to the February 2022 Constitutional Court judgement. That judgement ruled that the Minister exceeded his powers in prescribing the 2017 Regulations. The Public Procurement Bill is being finalized, which will empower the Minister of Finance to set preferential procurement, the 2022 Regulations repeal the 2017 Regulations and take effect on the 16 January 2023”

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	3	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	5	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	5	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners,

		(the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	5	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)Medical certificate • SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the Eastern Cape	2	• Municipal rates account OR • Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	• No points will be claimed if the bidders failed to submit the required documents

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- Eastern Cape CET College Supply Chain Management Policy will apply;
- Eastern Cape CET College does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid;
- Bids which are late, **incomplete, unsigned** or submitted by facsimile or electronically, will not be accepted.
- Bids submitted are to hold good for a period of **90 days**;

Enquiries should be directed to:

Ms. Ondzela Mahlati **Email:** omahlati@ec.cetc.edu.za **Tel:** 043 753 0060 (**Bidding process**)

Mr. Patrick Tali **Email:** ptali@ec.cetc.edu.za **Tel:** 043 753 0060 (**Technical queries**)

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE UNDERMENTIONED REQUIREMENTS OF THE EASTERN CAPE CET COLLEGE
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BID NUMBER: RFP-EC CETC/HO/01/11/2025

CLOSING DATE: 09 December 2025

CLOSING TIME: 11H00

**TENDER DESCRIPTION: REQUEST FOR PROPOSAL FOR THE PROVISION OF FINANCIAL MANAGEMENT
SUPPORT SERVICES FOR EC CET COLLEGE FOR A PERIOD OF THREE (3) YEARS.**

As more fully set out in the annexure to this form which contains the specific specifications and /or terms of reference for the aforesaid requirements.

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

Eastern Cape CET College
Border Training Centre (Btc)
10 Mfafa Road
Nu1 Mdantsane
East London 5219

NB: SERVICE PROVIDERS MUST SIGN REGISTER THAT WILL BE AVAILABLE AT THE RECEPTION.

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

The College does not accept any responsibility for the late submission of bids nor for the placement of a bid in the bid box.

The bid box will be accessible between 08h00 to 16h30, Mondays to Fridays excluding public holidays.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS WHICH MAY NOT BE RETYPED.

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

 **NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

 THE FOLLOWING PARTICULARS MUST BE FURNISHED FAILURE TO DO SO MAY RESULT IN THE BID BEING DISQUALIFIED.	
NAME OF THE BIDDER	
POSTAL ADDRESS	
STREET ADDRESS	
TELEPHONE NUMBER	CODE: NO.
CELLPHONE NUMBER	

FAX NUMBER	CODE: NO.
EMAIL ADDRESS	
VAT REGISTRATION NO.	

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)

YES	NO
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HAS SPECIFIC GOALS STATUS BEEN COMPLETED?? (SBD 6.1)

YES	NO
-----	----

(A SPECIFIC GOALS STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR SPECIFIC GOALS)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES	NO
-----	----

(IF YES ENCLOSE PROOF)

DID YOU ATTEND THE COMPULSORY BRIEFING SESSION OR SITE MEETING, IF APPLICABLE

YES	NO
-----	----

SIGNATURE OF BIDDER _____

DATE: _____

CAPACITY UNDER WHICH THIS BID IS SIGNED _____

TOTAL BID PRICE: R_____

TOTAL NUMBER OF ITEMS OFFERED _____

DETAILS OF TENDERING ENTITY'S BANK ACCOUNT

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

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

Signature of Tenderer: _____

Date: ____/____/20____

TERMS OF REFERENCE

REQUEST FOR PROPOSAL FOR THE PROVISION OF FINANCIAL MANAGEMENT SUPPORT SERVICES FOR EC CET COLLEGE FOR A PERIOD OF THREE (3) YEARS.

1. INTRODUCTION

The Community Education and Training (CET) Colleges came into existence on 1 April 2015 when the Public Adult Learning Centres (PALCs) migrated from the Provincial Education Departments (PEDs) to the Department of Higher Education and Training (DHET). The PALCs became the Community Learning Centres (CLCs) and were merged under the CET Colleges.

The mandate of the Colleges is to provide quality and relevant Education and Training programmes for youth and adults to improve their livelihoods. The CET Colleges, through the CLCs, offer programmes that will ensure that students attain skills that will enable them to either find employment or establish their own enterprises which are Community needs based. The College is situated in the Eastern Cape in South Africa. Governance of the College rests with the Council subject to the relevant statutes and policies. Management structure of the College consists of the Principal and three Deputy Principals. The CET College operates in accordance with the requirements laid down in the Continuing Education and Training Act, Act No.16 of 2006.

2. PURPOSE

The Eastern Cape CET College wishes to appoint a suitable service provider to provide support, handholding, train and ultimately conclude on the mandatory transferring of skills for period of 36 months.

The College only have very junior staff working in Finance, Accounting services and Supply chain management and assets management would require constant supervision.

The College therefore aims with this RFP to procure support from a single service provider to assist the office of the Deputy Principal Finance (Chief Financial Officer of the College).

3. BACKGROUND

Please provide a brief background of the Finance division, how is it set, and its complement.. which will provide an insight as to why CFO support is need.

4. SCOPE OF WORK

4.1. General

4.1.1. Contract Term

- The College will enter into a 36 months (3 years) contract with the selected panel of service provider.
- The college reserves the right to consider the extension of the contract or portions thereof in consultation with the successful bidder for a further period **not exceeding 24 months without going to an open bidding process.**

4.1.2. Required Services

- Supply Chain Management Support including Training of Officials
- Budget Management Support and Implementation of Cost Containment Strategies
- Contract Management Review and Training
- Preparation and Review of Annual Financial Statements
- Assets Management including all related assets activities and training
- Preparation and Review of Fixed Assets Register

- Assessing Implementation of Financial Management Policies and Processes
- Provision of Audit Controlling Process Support for the same duration
- Review or Development and implementation of standard operating procedures

4.2. Service Requirement/Deliverables

4.2.1. Nature And The Role Of The Consultants Team

1. The team will compose of **full-time personnel** from a single service provider which will be based at the College head office in NU 1 Mdantsane East London.
2. Bidders are therefore required to propose a team of professionals to provide support to the office of Deputy Principal Finance (Chief Financial Officer of the College) situated at the college head office in NU 1 Mdantsane East London.
3. This proposed team must have a combination of the following skills and significant experience in the areas indicated below which must adequately be demonstrated within the CVs of the proposed team members in accordance with the Curriculum Vitae provided.
4. The consultants' team are as follows:

Resource Number	Resource Name	Number of Resources	DPSA Level
1	Manager CFO Support	1	Assistance Director (Level 10)
2	Consultant SCM and Assets	2	Clerk (Level 5)
3	Consultant Accounting Services	1	Clerk (Level 5)

5. The College may request additional consultants as when the need arises and this will be communicated with the appointed service provider.
6. The team will report directly to the CFO

4.2.2. Specific CFO Support requirements

- The duties and deliverables of the resources are as follows:

Section Duties/Deliverables	
Supply Chain and Asset Management	
	To support the Deputy Principal Finance in identifying the need for contracting in of external resources and / or consultants at the CETC and where external resources and / or consultants will be contracted, to:
	• Assist the CETC to procure and appoint suitable services providers;
	• Manage the service provider contracts to conclusion, ensuring the required deliverables are met timeously.
	• Assist the CETC to procure, appoint and manage service providers for new, or newly discovered circumstances, as may be required to ensure that the Project deliverables are met timeously.
	• Where the procurement will be done by the Project, to provide inputs to the compilation of the Project procurement plan and budget submissions.
	• Where the procurement will be done by the CETC, to compile and maintain an analysis of all planned and executed College procurement related to the Project deliverables, which should include the budgeted and actual amounts.
	• Assist the CETC by facilitating the adoption of the DHET approved SCM Policy.
	• Develop templates and toolkits to facilitate the implementation of the SCM Policy.
	• Conduct training to enable the CETC to understand and implement the SCM Policy.
	• Assist the CETC by facilitating the operation of the SCM unit of the CETC to ensure compliance with the SCM Policy
	• Provide external audit support to assist with all return in line with AG findings

Section Duties/Deliverables	
	• Assist with Yearly performance review to reflect on the service providers performance
	• Assist the CETC to ensure that staff are properly trained and managed in operating and maintaining the internal control system and facilitate training and do skills transfers so that the CETC can continue with this function after the Project completion.
	With respect to assets management, to:
	• Assist the CETC to determine suitable infrastructure and related resources required, e.g. Land and buildings (for head office), vehicle fleet, IT assets, furniture and equipment.
	• Assist the CETC to determine the most appropriate resources for the CETC for each type of resource (e.g. which buildings to use for office space, what type of vehicles / IT assets to acquire).
	• Assist the CETC to determine the most effective and efficient way the required resources are to be acquired under the circumstances (e.g. lease or buy).
	• Assist the College to procure the required resources, in accordance with its SCM policy.
	• Assist the College to ensure that all resources are delivered, installed and brought into a state, ready to be used as intended by the CETC management.
	• Assist in the preparation of the college Fixed Asset Register
	• Review the College Asset register as printed from the system to ensure that all assets are included.
	• Perform and review monthly assets reconciliation and ensure that the depreciation calculated asset register in the system is accurate.
Accounting Services	
	With regards to financial reporting:
	Transaction recording and accounting records
	• Identify and document the classes of transactions, account balances and disclosures.
	• Identify and document the correct accounting treatment and disclosure for each class of transaction, account balance and disclosure, and set up the financial systems accordingly.
	• Identify and document the transaction recording and reporting internal controls for each class of transaction, account balance and disclosure, and set up the financial systems accordingly (This will include source document management and filing systems).
	• Ensure that transactions are captured and reconciled up to date and that all backlogs are cleared.
	• Ensure that transactions are captured and reconciled on a daily basis to produce an online real time system that is always accurate and up to date in all respects.
	• Perform BAS vs PERSAL salaries reconciliation on a monthly basis.
	• Review the salaries journals before they can be posted in the College accounting system by the college employees.
	• Assist with the preparation and review SARS PAYE recons and payments on a monthly basis.
	• Prepare financial declaration/reporting to the DHET on a monthly basis
	• Ensure that staff are properly trained and managed in operating and maintaining the templates and methodology and facilitate training and do skills transfers so that the CETC can continue with this function after the Project completion.
	Monthly and other regular reporting
	• Assist the CETC to identify all the stakeholders and their information needs, to understand the reporting requirements that the information system must satisfy.
	• Assist the CETC to identify all the regulatory reporting requirements and budget utilization monitoring requirements.
	• Assist the CETC to identify the appropriate cost accounting model to be used for the CETC for financial management and planning purposes.
	• Design and implement a system to control the maintenance of the Chart of Accounts at the CETC, in accordance with the standard chart of accounts for the CET Sector.
	• Assist the CETC to set up standard reporting and analysis templates to meet the needs of the various stakeholders for monthly and other regular interval reporting through system generated reports.
	• Design and implement a system to deliver the required monthly and other regular reporting packs to the various stakeholders.

Section Duties/Deliverables	
	Assist the CETC to ensure that staff are properly trained and managed in operating and maintaining reporting system and facilitate training and do skills transfers so that the CETC can continue with this function after the Project completion.
	<u>Budgeting</u>
	- Assist the CETC in the budget preparation and implementation. - Prepare monthly budget versus actual reports for management. - Assist CETC to ensure that staff are properly trained and managed in operating and maintaining the templates, methodology and system integration and facilitate training and do skills transfers so that Colleges.
AFS Preparation and Audit Support	
	<u>AFS Compilation and audit support</u>
	- Assist the CETC to complete GRAP compliant AFS for the duration of the project. - Provision of Audit Controlling Process Support for the same duration. - Design and implement audit action plan - Facilitate training and do skills transfers so that the CETC can continue with this function after the Project completion.
	With regards to external audits, compliance management and tax compliance, to:
	<u>External audit</u>
	- Assist the CETC by facilitating implementation and operation of the Audit Steering Committee at the CETC. - Assist the CETC by facilitating the audit action plan process. - Support the CETC in striving for a clean audit outcome and facilitate training and do skills transfers so that CETCs can continue with these functions after the Project completion.
	<u>Tax compliance</u>
	- Identify and document all the tax legislation and the requirements thereof with which the CETC must comply. - Assist the CETC in becoming fully tax compliant. - Facilitate the development of an internal control system to ensure tax compliance. - Ensure that staff are properly trained and managed in operating and maintaining the internal control system and facilitate training and do skills transfers so that the CETC can continue with this function after the Project completion.
Policies and Procedures	
	<u>Reviewing/Developing and implementation of Policies and Procures</u>
	- Assist the CFO with reviewing existing policies and procures, - Propose any amendments or development of policies, - Review and update existing Standard Operating Procured - Development standard process flows

4.2.3. General CFO Support requirements

- CV of the professional to be seconded to the college must be submitted clearly indicating skills, knowledge, experience and qualification. **The proposed professional put forward in a tender must be available for the duration of the contract.** Changes in the resources during the contract period will only be allowed should the resource leave the employment of the bidder. A change in the resource must be equivalent or higher as per the initial resource and must be approved in advance by the Deputy Principal Finance before deployment to the college. The level of the required staff will be level 10 or 11 in terms of DPSA.
- Proof of qualification and professional registrations must** be submitted with the bid.
- The following key competencies are required:

4.2.3.1. Manager CFO Support

- I. Appropriate tertiary qualification in commerce majoring in accounting and auditing.
- II. Traceable working experience in audit management with experience in Finance, Auditing, Accounting, supply chain management, contract management, project accounting/commitments and Asset management
- III. Able to lead and supervise a team of **10 staff** members.
- IV. Sound understanding of basic accounting principles of GRAP standards.
- V. Experience in preparation of GRAP compliant annual financial statements
- VI. Computer skills in Microsoft office applications
- VII. Knowledge of the PFMA, CET Act and Treasury Regulations as well as other prescripts/policies that are relevant to financial administration, Supply chain management and Asset management.
- VIII. A Chartered Accountant, CA(SA) / Associate General Accountant i.e., AGA (SA) with at **least 12 years traceable post articles experience.**
- IX. Experience in the Public Sector environment especially within Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors.
- X. Experience in preparation of GRAP compliant fixed asset register
- XI. Experience of using **Microsoft Dynamics 365 Business Central**

4.2.3.2. Consultant SCM and Assets X 2

- i. Appropriate tertiary qualification in commerce majoring in accounting and auditing.
- ii. At least 3 traceable working experience in supply chain management, contract management, project accounting/commitments and Asset management
- iii. Sound understanding of basic accounting principles of GRAP standards.
- iv. Experience in preparation of GRAP compliant fixed asset register and annual financial statements
- v. Computer skills in Microsoft office applications
- vi. Knowledge of the PFMA, CET Act and Treasury Regulations as well as other prescripts/policies that are relevant to financial administration, Supply chain management and Asset management.
- vii. Experience in the Public Sector environment especially within Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors.
- viii. Experience of using **Microsoft Dynamics 365 Business Central**

4.2.3.3. Consultant Accounting Services X 1

- i. Appropriate tertiary qualification in commerce majoring in accounting and auditing.
- ii. At least 3 years' traceable working experience in accounting environment.
- iii. Sound understanding of basic accounting principles of GRAP standards.
- iv. Experience in preparation of GRAP compliant annual financial statements
- v. Computer skills in Microsoft office applications
- vi. Knowledge of the PFMA, CET Act and Treasury Regulations as well as other prescripts/policies that are relevant to financial administration, Supply chain management and Asset management.
- vii. Experience in the Public Sector environment especially within Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors.
- viii. Experience of using **Microsoft Dynamics 365 Business Central**

4.2.4. General Requirement requirements

- The team will be required to always report to the Deputy Principal Finance during the project

- The service provider will also be required to communicate any draft reports to the Deputy Principal Finance
- All reports to be submitted to the college in both hard copy and electronic format.

4.2.4. Deliverables

- Detailed Project Plan and Project Monitoring/Reporting Tool
- Detailed Skills Transfer Plan and Training Conducted
- Monthly Project Status Reports
- Detailed Close-out Report at the end of the Project.
- Monthly Meeting with Stakeholders

5. CONTINUITY AND DOWNSTREAM WORKS

- The College anticipate phasing out this appointment as per the contract duration above however, the terms of reference is compiled based on the assumption that appointments will be made during this period/in house capacity has been reached.
- Therefore, a phase in and phase out approach of new permanent College staff versus Consultancy resources is anticipated by the end of the contract period. The firm's resources (where applicable) will be therefore initially function on their own and thereafter render their services parallel with the college permanent resources. The contract will then naturally reach close out as per the initial terms of reference.
- This Terms of Reference is also considering the likelihood of the continuation of a resource(s)
- The College reserves the right to consider the extension of the contract or portions thereof in consultation with the successful bidder for a further period not exceeding 24 months without going to an open bidding process based on the following motivation:
 - Continuity, compatibility and alignment in the technical approach and experience of the contracted consulting firm, which is subject to the satisfactory performance of the service provider in their initial assignment.
 - This will be determined and evaluated on the sole discretion of EC CET College; however this does not constitute a right or guarantee to the college or the successful bidder.
 - Furthermore, the successful bidder has the right not to extend their appointment after the initial contract period or after any other extended period.
 - For such downstream assignments, the Accounting Officer shall ask the initial selected consultant to prepare a revised technical and financial proposal on the basis of a revised Terms of Reference furnished by the College.
 - The college further reserves the right to keep unchanged, improved or reduced the initial terms of reference pending on the need of any downstream works and continuity.

6. TECHNICAL EVALUATION

6.1. Stage 1 – Technical Evaluation: Functionality

Only bidders that have met the pre-qualification criteria will be evaluated for functional evaluation. An assessment of Functionality will be based on the evaluation criteria noted in the table below. Each of the evaluation criteria in the table will carry a weighting as indicated,

- **all bidders should at least obtain a minimum of 80 points out the 100 points on functionality. Bidders who do not meet the minimum functionality of 80 points will be considered non- responsive and will be excluded for the following stages.**
- The allocation of points for the evaluation of functionality is set out in the table below.

FUNCTIONALITY	REQUIRED EVIDENCE	WEIGHT	MAX VALUE (1- 5)
1. Experience			
(a) Number of clients (contactable references) that the bidder has successfully serviced in the past 3 years.			
5 or more reference letters of relevant experience	Experience in accounting and financial management professional services(AFS preparation, FAR preparation Support services, and review of AFS in the past three (3) years within public sector environment, bidders must attach reference letters on client's letter head with contactable references in order to be allocated points. NB: Failure to attach these documents, bidders will not be awarded points	20	5
4 reference letters of relevant experience			4
3 reference letters of relevant experience			3
2 reference letters of relevant experience			2
1 reference letter of relevant experience			1
0 reference letter of relevant experience			0
2. Expertise and Capacity of the proposed personnel			
(a) Manager: Experience in public sector financial management or a component thereof-			
CA(SA)/ AGA (SA) with 10 or more years' experience in public sector financial management or a component thereof	CV and certified copy of qualification of the project manager depicting at least three (3) years' experience in leading similar projects and with experience in public sector financial management support services . (Registration	25	5
CA(SA)/ AGA (SA) with 5-8 years' experience in public sector financial management or a component thereof			3

FUNCTIONALITY	REQUIRED EVIDENCE	WEIGHT	MAX VALUE (1- 5)
0-4 years' experience	certificates of the team member must be attached as proof.) NB: The bidder must attach CV, Proof of Qualifications and SAICA Registration for Certificates. A Chartered Accountant, CA(SA) / Associate General Accountant i.e., AGA (SA) with at least 6 years traceable post articles experience. No points will be claimed where the above is not attached.		0
(b) MANAGER-SPECIFIC EXPERTISE			
CV clearly demonstrate expert knowledge in financial management support within the Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors	CV demonstrate expert knowledge in financial management support specifically in supply chain management, asset management, accounting services, Budget Management Support, Preparation and Review of Annual Financial Statements and knowledge of the GRAP, PFMA, CET Act and Treasury Regulations.	30	5
CV reasonably demonstrate expert knowledge in financial management support within the Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors			3
CV demonstrate limited expert knowledge in financial management support within the Community Education and Training (CET) or Technical and Vocational Education and Training (TVET) sectors			1
3. Methodology			
- Methodology and approach address all areas in detail and is comprehensively described. - Methodology and approach address some areas in detail	Details of the proposed approach to be adopted in order to deliver the service in accordance with the terms of reference: Approach and Methodology.	15	5
			3
			0

FUNCTIONALITY	REQUIRED EVIDENCE	WEIGHT	MAX VALUE (1- 5)
and is comprehensively described Inadequate Methodology and Approach	The bidder must provide a proposal that demonstrates clearly-Service provider's knowledge and understanding of the College's financial management support project and operating environment		
4. Locality			
- Based in Buffalo City Metro=10 - Based in Eastern Cape=5 - Outside Eastern Cape =0		10	
TOTAL		100	

6.2. Stage 2 – Specific goals evaluation

- “On the 04 November, the minister of Finance gazette new Preferential Procurement Regulations (2022 Regulations) under the Preferential Procurement Policy Framework act, 2000 (PPPFA), this was aimed at aligning the regulations to the February 2022 Constitutional Court judgement. That judgement ruled that the Minister exceeded his powers in prescribing the 2017 Regulations. The Public Procurement Bill is being finalized, which will empower the Minister of Finance to set preferential procurement, the 2022 Regulations repeal the 2017 Regulations and take effect on the 16 January 2023”

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	3	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners,

		(the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	5	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)Medical certificate • SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the Eastern Cape	2	• Municipal rates account OR • Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	• No points will be claimed if the bidders failed to submit the required documents

6.3. Stage 4 – Price evaluation

NB: Bidders should at least obtain a minimum of 20 points in stage 3 (proposal presentation) in order to qualify for stage 4 (Price Evaluation).

Price Points	= 80
Specific goals	= <u>20</u>
TOTAL	=100

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement, bidders are required to complete in full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The "Tax Clearance Certificate" requirements are also applicable to foreign bidders / individuals who wish to submit bids.
 2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
 3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
 4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
 5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
-
1. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website **www.sars.gov.za**.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

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

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

Name of bidder..... Bid number..... Closing Time 11:00AM

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

Resource	Average Number of Hours per month– Year 1	Rate/Hour Year 1-VAT Inclusive	Total-VAT Inclusive per month (Column A* Column B)	Grand Total-VAT Inclusive Year 1 (Column C*12)
	A	B	C	
Senior Manager	160 hours			
Consultant SCM and Assets	160 hours			
Consultant SCM and Assets	160 hours			
Consultant Accounting Services	160 hours			
TOTAL YEAR 1				R

#	YEAR	AMOUNT
1	Total Year 1	
2	Total Year 2	
3	Total Year 3	

GRAND TOTAL PRICE THAT WILL BE USED FOR EVALUATION PURPOSES

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state*, 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 a price quotation, advertised competitive bid, limited bid or proposal). 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 and/or take an oath declaring his/her interest, 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, shareholder etc):
- 2.4 Company Registration Number:
- 2.5 Tax Reference Number:
- 2.6 VAT Registration Number:

* "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.

- 2.7 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 / shareholder/ member:

Name of state institution to which the person is connected:

Position occupied in the state institution:

Any other particulars:

.....

.....

2.8 Did you or your spouse, or any of the company's directors / 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 the 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 /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:
.....
.....
.....

DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1 ABOVE IS
CORRECT.
I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE
GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

EASTERN CAPE CET COLLEGE
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE
PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AS WELL AS THE APPLICABLE PROVISIONS OF THE SUPPLY CHAIN MANAGEMENT POLICY OF THE COLLEGE.

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 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and, therefore, the **80/20** system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals.

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

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 SPECIFIC GOALS	20
Total points for Price and Specific goals	100

1.4 The purchaser, being the College of or any agency, body or the like established by it, 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

2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **Historically Disadvantaged Individual” (HDI)** is defined as a South African citizen – 1) who, due to the apartheid policy that was in place, had no voting rights in the national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No. 100 of 1983) or the Constitution of the

Republic of South Africa, 1993 (Act No. 200 of 1993) ("the interim Constitution"), and/or 2) who is a woman, and/or 3) who has a disability With the understanding that any person who received South African citizenship on or before the introduction of the interim Constitution, will not be deemed to be HDI

- 2.3 HDI equity ownership** refers to the percentage of a partnership or business that is owned by individuals, or in the case of a company, the percentage of shares which is owned by individuals who are actively involved in the management decisions and day to day operational activities of the company or business and who exercises control in the business in relation to their ownership at the close of tender. Where individuals are not actively involved in the management and day to day operational activities of the business and who does not exercise control in relation to the percentage of their ownership, Equity ownership points cannot be awarded
- 2.4 "Disability"** refers to a person with a permanent physical disability, mental disability, awareness disability, which leads to confinement or disability, or the inability to perform bodily functions in the manner or within the capacity of a normal person, as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act
- 2.5 Black people who are youth** as defined in the National Youth Commission Act of 1996
- 2.6 "comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 "A woman"** refers to a female person who is a South African citizen
- 2.8 "contract"** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 "EME"** means any enterprise with an annual total revenue of R5 million or less;
- 2.10 "Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 "functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 "non-firm prices"** means all prices other than "firm" prices;
- 2.13 "person"** includes a juristic person;
- 2.14 "rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 "sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 "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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 3. ADJUDICATION USING A POINT SYSTEM**
- 3.1** The bidder obtaining the highest number of total points will be awarded the contract.

- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference point for specific goals.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for specific goals, the successful bid will be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{min} = Comparative price of lowest acceptable bid

5. Points awarded for Specific goals

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

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	BIDDERS SCORING
Black ownership:	3	
Women ownership:	5	
Youth ownership:	5	
Disability:	5	
Locality	2	
TOTAL	20	

6. DECLARATION WITH REGARD TO COMPANY/FIRM

6.1 Name of company/firm : _____

6.2 VAT registration number : _____

6.3 Company registration number _____

6.4 TYPE OF COMPANY/ FIRM

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

6.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

6.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Other service providers, e.g. transporter, etc.
- (TICK APPLICABLE BOX)

6.7 TOTAL NUMBER OF YEARS THE COMPANY HAS BEEN IN BUSINESS? _____

6.8 I/we, the undersigned, who is/are duly authorized to do so on behalf of the company/firm, certify that the points claimed, 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 paragraph 5, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the specific goals points has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser, being the Eastern Cape CET College, 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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 BIDDER

DATE: ____/____/20____

ADDRESS: _____

EASTERN CAPE CET COLLEGE

CONTRACT CONDITIONS

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to municipal bids, contracts and orders;
- (ii) To ensure that prospective tenderers or bidders are familiar with the rights and obligations of all parties involved in doing business with the College;
- (iii) To set out the conditions applicable to all tenders or bids submitted to the college in response to an invitation to submit a tender, bid or quotation, as may be applicable:

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

- Any specification issued by the college for the supply of goods or services is subject to the relevant terms and conditions contained herein.
- These General Conditions of Contract will form part of all bid documents.
- Special Conditions of Contract (SCC) relevant to a specific bid, will 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.

A. CONDITIONS APPLYING TO ALL SPECIFICATIONS

All specifications for goods and services to be procured by the college shall, except where otherwise stated in any specific specification, be subject to the following requirements and conditions:

1. Functionality

Where functionality is utilized as an evaluation criterion, no tender will be regarded as an acceptable tender if it fails to achieve the minimum stipulated qualifying score for functionality and only tenders that have achieved this score will be evaluated further in terms of the preference point systems referred to below.

2. 80/20 Preference Point System

2.1 The under-mentioned preference points evaluation system for the acquisition of services, works or goods up to a Rand value of R50 000 000. (all applicable taxes included) will be applied with regard to the evaluation of tenders falling within this threshold amount:

- (i) the following formula will be used to calculate the points for price in respect of tenders (including price quotations) with a Rand value equal to, or above R 30 000 and up to a Rand value of R50 000 000. (all applicable taxes included)

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for comparative price of tender or offer

under consideration;

Pt = Comparative price of tender or offer under consideration; and

Pmin = Comparative price of lowest acceptable tender or offer.

(ii) Subject to subparagraph (iii), points must be awarded to a tenderer for attaining the specific goals in accordance with the following table:

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	3	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points) - Medical certificate - SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the Eastern Cape	2	- Municipal rates account OR - Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	No points will be claimed if the bidders failed to submit the required documents

(iii) a maximum of 20 points may be allocated under subparagraph (ii);

- (iv) the points scored by a tenderer in respect of specific goals contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i).

2.2 In the event of all tenders received exceeding the estimated Rand value of R50 000 000.00, the tender invitation will be cancelled, provided that, if one or more of the acceptable tenders received are within the aforesaid threshold of R50 000 000.00, all tenders received will be evaluated in accordance with this preference point system.

2.2 The B-BBEE status level attained by a tenderer will be used to determine the number of points contemplated in subparagraph 2.1 (ii) above.

3. 90/10 Preference Point System

3.1 The under-mentioned preference points evaluation system for the acquisition of services, works or goods with a Rand value above R50 000 000. (all applicable taxes included) will be applied with regard to the evaluation of tenders above this threshold amount:

- (i) the following formula will be used to calculate the points for price in respect of tenders with a Rand value above R50 000 000. (all applicable taxes included):

$$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for comparative price of tender or offer under consideration;

Pt = Comparative price of tender or offer under consideration; and

Pmin = Comparative price of lowest acceptable tender or offer.

- (ii) subject to subparagraph (iii), points must be awarded to a tenderer for attaining the specific goals in accordance with the following table:

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	3	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	5	CIPC (Company registration)

		CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	5	- CIPC (Company registration)' - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	5	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)Medical certificate - SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the Eastern Cape	2	- Municipal rates account OR - Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	No points will be claimed if the bidders failed to submit the required documents

(iii) a maximum of 10 points may be allocated under subparagraph (ii);

(iv) the points scored by a tenderer in respect of the specific goals contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i).

3.2 In the event of all tenders received being equal to, or below R50 000 000, the invitation to tender will be withdrawn and all tenders received shall be regarded as having been cancelled provided that, If one or more of the acceptable tenders received are above the prescribed threshold of R50 000 000, all tenders received will be evaluated in accordance with this preference point system.

3.3 The specific goals attained by a tenderer must be used to determine the number of points contemplated in subparagraph 3.1 (ii) above.

4. Local Production

4.1 Where, in the case of tenders in designated sectors, local production and content is of critical importance, it shall be a specific condition of tender that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content, will be considered.

4.2 The exchange rate to be used for the calculation of local content or local production referred to in subparagraph 1 will be the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the invited bid;

4.3 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x will be used to calculate local content in accordance with the following formula:

$$LC = 1 - \frac{X}{Y} \times 100$$

Where

x imported content

y bid price excluding value added tax (VAT)

and the prices referred to in the determination of x will be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid;

4.4 Form SBD 6.2 (Declaration Certificate for Local Content) duly completed and signed must be submitted with the bid documentation;

4.4 The college reserves the right to verify the accuracy of the rates of exchange quoted by a bidder in paragraph 4.1 of the aforesaid Certificate.

4.5 The accounting officer of the college reserves the right to include a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered on condition that any such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by the National Treasury in consultation with the Department of Trade and Industry and, in such event, the requirements referred to in subparagraphs 4.2 to 4.4 above must be complied with by a tenderer.

4.6 A two- stage tendering process may be followed for tenders referred to in subparagraphs 4.1 and 4.5 and, in such event, the first stage will involve functionality and minimum threshold for local production and content and the second stage price and specific goals with the possibility of price negotiations only with the short listed tenderers.

5. SPECIFIC GOALS

Where a bidder is required to attain a specified specific goal or goals other than contracting with historically disadvantaged persons and implementing Reconstruction and Development Programmes in order to qualify for the award of a contract, such bidder must provide the required information to enable the bid evaluation committee to determine whether or not such specific goal or goals will be attained by the bidder concerned in the event of him/her or it being awarded the relevant contract.

6. Sub-contracting

6.2 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher specific goals than the person concerned, unless the contract is sub-contracted to an exempted micro enterprise that has the capability and ability to execute the relevant sub-contract.

6.3 A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

7. Miscellaneous conditions

7.1 Only tenderers who have completed and signed the declaration part of any tender documentation will be considered when tenders are evaluated.

7.2 When comparative prices must be calculated, any discounts which have been offered unconditionally will be taken into account.

7.3 A discount which has been offered conditionally will, despite not being taken into account for evaluation purposes, be implemented when payment to a tenderer in respect of an accepted tender is affected.

7.4 Bid evaluation points scored will be rounded off to the nearest 2 decimal places.

7.5 Equal point scoring:

- (i) In the event that two or more tenders score equal total points, the successful tender will be the one scoring the highest number of preference points for specific goals;
- (ii) However, when functionality is part of the evaluation process and two or more tenders have scored equal points including equal preference points for specific goals, the successful tender will be the one scoring the highest score for functionality;
- (iii) Should two or more tenders be equal in all respects, the award shall be decided by the drawing of lots in accordance with the applicable regulations of the College.

8. Cancelling a tender

8.1 The accounting officer may, prior to the award of a tender, by notice in the media in which the original tender was advertised, cancel such tender if, due to changed circumstances, there is no longer a need for the services, works or goods requested or if funds are no longer available to cover the total envisaged expenditure or if no acceptable tenders are received.

9. Declarations

A tenderer must -

- (a) Declare that the information provided in a tender document is true and correct;
- (b) Declare that the signatory to a tender document is duly authorized; and
- (c) Undertake to submit documentary proof regarding any tendering issue when required to the satisfaction of the College.

10. Remedies

10.1 A tenderer who submits a tender acknowledges thereby that:

- (a) The college will, upon detecting that the specific goals of contribution has been claimed or obtained by a tenderer on a fraudulent basis or any of the conditions of a contract awarded to such tenderer or contractor have not been fulfilled, act against such tenderer or person awarded the ensuing contract.

- (b) The college may, in addition to any other remedy it may have against the person contemplated in subparagraph (a)-
 - (i) disqualify the person concerned from participating in any future tender process with the College;
 - (ii) Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (iii) cancel the relevant contract and claim any damages which it has suffered as a result of having to make less favorable arrangements due to such cancellation;
- (c) The college may restrict a tenderer or contractor, its shareholders and directors, or only the shareholders and directors, as the case may be, who acted on a fraudulent basis in connection with a tender, from obtaining business from the college for a period not exceeding 10 years, provided that, before exercising this right, the college shall give the persons or parties concerned an opportunity to make representations and be heard in defense of such contemplated action; and
- (d) The college may refer any fraudulent action on the part of a tenderer or contractor or any party aforesaid to the South African Police Services with a view to criminal prosecution.
- (e) Where a tenderer or contractor is restricted in terms of subparagraph (c), the accounting officer will forward the relevant details to National Treasury for inclusion in the Central Database of Restricted Suppliers.
- (f) The college will check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (g) The college will reject any bid from a bidder -
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the College, or to any other college or municipal entity, are in arrears for more than three months; or
 - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the college or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) The college will reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, committed a corrupt or fraudulent act in competing for the particular contract;
- (f) The college will cancel a contract awarded to a person if -
 - (i) such person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) The college will reject the bid of any bidder if that bidder or any of its directors -
 - (i) has abused the supply chain management system of the college or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;

- (ii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years;
 - (iii) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004); and
 - (iv) who, in terms of any applicable law, is required to be possession of a current licence, registration certificate or authority to submit a bid in response to a bid invitation by the College.
- (h) The college will reject a bid from any bidder who failed to attend a compulsory site meeting or information session relative to a particular invitation to bid.

B. GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. 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

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

- 1.21 **“Purchaser”** means the Eastern Cape CET College or any other agency or body on whose behalf it has been authorized to procure goods and services and includes the accounting officer of this college or his nominee.
- 1.22 **“Republic”** means the Republic of South Africa.
- 1.23 **“SCC”** means the Special Conditions of Contract.
- 1.24 **“Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 **“State”** includes the College;
- 1.26 **“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 local press or accessed electronically or in hard copy form from the college upon payment of x any prescribed fee.

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 and also 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 insofar 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 college or an organization acting on behalf of the College.
- 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 acceptable invoice or claim by the supplier.
- 16.4** Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1** Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1** No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1** The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1** The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1** Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2** If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3** No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4** The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5** Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties

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

22. Penalties

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

23. Termination for default

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

23.5 Any restriction imposed on any person by the Accounting Officer will, at the discretion of the Accounting Officer, 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
 - (a) 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 college 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.

PAST EXPERIENCE

Bidders must furnish hereunder details of similar works/service, which they have satisfactorily completed in the past. The information shall include a description of the Works, the Contract value and name of Employer.

EMPLOYER /INSTITUTION NAME	NATURE OF WORK/ PROJECT NAME	AWARDED AMOUNT	ANTICIPATED / ACTUAL COMPLETION DATE	EMPLOYER CONTACT NO.

.....

DATE

.....

SIGNATURE OF BIDDER

PAST EXPERIENCE 2

Bidders must furnish hereunder details of similar works/service, which they have satisfactorily completed in the past. The information shall include a description of the Works, the Contract value and name of Employer.

CURRENT PROJECTS UNDERTAKEN <u>FOR EASTERN CAPE CET COLLEGE</u>			
PROJECT NAME	AWARDED AMOUNT	CONTRACT START DATE	ANTICIPATED / ACTUAL COMPLETION DATE
TOTAL AMOUNT OF PROJECTS CURRENTLY UNDERTAKEN FOR EASTERN CAPE CET COLLEGE			R

.....
DATE

.....
SIGNATURE OF BIDDER

MANDATORY DOCUMENTS

Number	Document	Yes	No
1	Valid tax clearance certificate and tax compliance status documents with pin from SARS must be attached.		
2	A copy of business entity registration certificate e.g. CK Document		
3	A certified ID copy/s of company directors not older than 3 months		
4	Resolution of the Company Directors must be duly completed and signed, and an original copy must be submitted.		
5	A company profile with completed projects for similar work and contactable references.		
6	Municipal Statement of account not older than three (3) months or Lease agreement if renting premises stating that the bidder is not obliged to pay municipal rates or letter from Ward Council confirming proof of address (rural areas bidders only)		
7	Proof of registration with Central Supplier Database (CSD) must be attached.		
8	Detailed Pricing schedule on a company letterhead		
9	Proof of valid registration and affiliation with South African Institute of Chartered Accountants (SAICA) for the project manager.		