

NOTIFICATION OF TENDER ADVERT

Bid Number:SASSA: 35-22-HCM-HO

Bid Description:The South African Social Security Agency hereby invites proposals from potential service provider for the provision of specialised Health Risk Management services from a national vendor to the South African Social Security Agency (SASSA)Head Office and nine (09) Regions for the period of three (03) years .

Name of Institution:South African Social Security Agency

Place where goods, works or services are required:

SASSA Head Office, 501 Prodinsa Building, Cnr Steve Biko (Beatrix) and Pretorius streets, Arcadia, Pretoria

Date Published: 11 November 2022

Closing Date / Time: 02nd December 2022@11:00am

Enquiries:

Contact Person:Ms Mogafe Mphahlele

Email: healthrisk@sassa.gov.za

Telephone number: 012 400 2412

FAX Number:

Where bid documents can be obtained:

Website:<https://etenders.treasury.gov.za/>

<https://sassa.gov.za>

Physical Address:Where bids should be delivered:

Physical Address:SASSA Head Office, 501 Prodinsa Building, Cnr Steve Biko (Beatrix) and Pretorius streets, Arcadia, Pretoria

Compulsory Briefing Session

N/A



PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	SASSA: 35-22-HCM-HO	CLOSING DATE	02-12-2022	CLOSING TIME	11:00 AM
DESCRIPTION	The South African Social Security Agency hereby invites proposals from potential service provider for the provision of specialised Health Risk Management services from a national vendor to the South African Social Security Agency (SASSA) Head Office and nine (09) Regions for the period of three (03) years.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
SASSA Head Office, 501 Prodinsa Building, Cnr Steve Biko (Beatrix) and Pretorius streets, Arcadia, Pretoria					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms Mogafe Mphahlele		CONTACT PERSON	Ms Portia Tshikovhi	
TELEPHONE NUMBER	(012)400 2412		TELEPHONE NUMBER	012 400 2514	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	healthrisk@sassa.gov.za		E-MAIL ADDRESS	healthrisk@sassa.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER:

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

DATE:

**PRICING SCHEDULE – 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 SASSA: 35- 22- HCM- HO
Closing Time 11:00 am	Closing date 02 December 2022

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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-
- Required by:
 - At:
 - Brand and model
 - Country of origin
 - Does the offer comply with the specification(s)? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
 - Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

STANDARD BIDDING DOCUMENT (SBD) 4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

- 1.1** Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.
- 1.2** Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. BIDDER'S DECLARATION

- 2.1** Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES / NO**
- 2.1.1** If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

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

STANDARD BIDDING DOCUMENT (SBD) 4

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

2.2.1 If so, furnish particulars:

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

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

2.3.1 If so, furnish particulars:

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

3. DECLARATION

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

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

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

STANDARD BIDDING DOCUMENT (SBD) 4

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.

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

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

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

3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for

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

STANDARD BIDDING DOCUMENT (SBD) 4

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

Date

.....

Position

Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the **.....80/20.....** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

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required by the purchaser.

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10	
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	

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Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor: . = (maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

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[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.
..

2.
.

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

DATE:

ADDRESS

.....

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CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)...**SOUTH AFRICAN SOCIAL SECURITY AGENCY**... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number... **SASSA: 35-22-HCM-HO** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:

SBD 7.2

CONTRACT FORM - RENDERING OF SERVICES**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:



PROVISION OF SPECIALISED HEALTH RISK MANAGEMENT SERVICES FROM A NATIONAL VENDOR TO THE SOUTH AFRICAN SOCIAL SECURITY AGENCY (SASSA), HEAD OFFICE AND NINE (9) REGIONS FOR THE PERIOD OF THREE (3) YEARS.

1. BACKGROUND

- 1.1 In 2006, the Minister for Public Service and Administration determined the implementation of a Policy on Incapacity Leave and Ill-Health Retirement (PILIR), within the General Public Service.
- 1.2 SASSA – a Government Entity is responsible for implementing PILIR; thereby aligning its internal processes of incapacity leave and ill-health retirement management to those ascribed to by the Public Service.
- 1.3 The implementation of PILIR aims to support the below-mentioned objective, and, implementing the latter involves among others, obtaining of the services of a single suitable service provider specializing in health risk management (Health Risk Manager).

2. OBJECTIVE OF THE BID

- 2.1 To appoint a service provider in the form of a National vendor, to provide specialised Health Risk Management services to the South African Social Security Agency effective from 1 June 2023.

3. SCOPE OF WORK

3.1 The Service Provider will be expected to set up structures and processes, which will ensure that:

3.1.1 Intervention and management of incapacity leave in the work place accommodate temporary or permanently incapacitated employees; and

3.1.2 Develop recommendations for SASSA to facilitate rehabilitation; re-skilling; re-alignment and retirement of temporary or permanently incapacitated employees where appropriate.

3.2 SASSA Structure

3.2.1 SASSA consists of a National Office (situated in Pretoria) as well as nine (9) Regional Offices (situated in each Province), together with a range of Districts and Local offices spanning the entire country; with a staff compliment of around 7642 employees.

3.2.2 The contract will be coordinated by the Human Capital Management Department which is based in Pretoria.

3.2.3 The services should be provided directly to nine (9) Regions and Head Office.

3.2.4 The bidder's key contact person/s must be available to provide face-to-face services to SASSA Head Office/Regions as and when required.

3.3 Project Period

3.3.1 The project is for a period of three (3) years and it would be expected of the successful service provider to assume duty immediately after the award and signing of the Service Level Agreement (SLA).

4. EXPECTED DELIVERABLES

4.1 Specific Roles and Responsibilities of the bidder

- 4.1.1 SASSA's account to be centrally managed by a liaison person, although the Agency will have a range of users nationally who will interface directly with the bidder.
- 4.1.2 To render services through multi-disciplinary medical experts (such as but not limited to Occupational Therapist, Psychiatrist, Physician), who will assess and advise the Employer on the applications for temporary incapacity leave and applications for ill-health retirement within specified timeframes.
- 4.1.3 To provide services for secondary medical assessments initiated by SASSA.
- 4.1.4 To utilize human resources who are registered with Health Professions Council / South African Nursing Council at all time.
- 4.1.5 To provide a list of networks for referrals of applications in nine (9) Provinces.
- 4.1.6 To provide service delivery continuity at all times.
- 4.1.7 To sign the Services Agreement and Service Level Agreement (within 30 days from date of the awarding of the tender).
- 4.1.8 To provide relevant information and training to staff, practitioners, managers and relevant stakeholders in relations to PILIR processes.
- 4.1.9 To provide four virtual training sessions per annum for each Region and Head Office.
- 4.1.10 To provide systems and technical staff with the required medical knowledge and experience to do incapacity leave and ill-health retirement assessments, refer employees to accredited assessors and other health professionals for further opinions and provide professional assessments and advise on employee applications for temporary incapacity leave and ill-health retirement, within specified timeframes (with due consideration to the guidelines in certain high incidence illnesses), to enable the effective and efficient taking of decisions regarding such applications.

- 4.1.11 To provide help desk services and regular communication between the service provider and HR Users at Head Office and Regions.
- 4.1.12 To provide assistance during legal proceedings and hearings, etc.; and
- 4.1.13 The service provider must be able to provide an invoice and a statement on a monthly basis, accompanied by a usage report which reflects the HR Users' particulars and the details of the services rendered.
- 4.1.14 To have knowledge of relevant Health Risk Management Legislative Framework within the Public Service.

4.2 Project Management

- 4.2.1 To provide comprehensive project implementation plan which addresses approach, activities, implementation / process monitoring and evaluation support through the regular submission of detailed project management, and management information reports including trend analysis (quarterly, annually and ad-hoc reports), to SASSA.
- 4.2.2 The Bidder must demonstrate ability to render the required services in all 9 Regions, in line with SASSA's business needs, at exceptional standards, in full compliance with specified turn-around-times;
- 4.2.3 Quality of project comprehension demonstrated in the proposal, for implementation and evaluation of services rendered;
- 4.2.4 Training plan in line with the requirements; and
- 4.2.5 The project must include contingency plan.

4.3 Data Management System

- 4.3.1 The Service Provider must maintain systems to handle applications from various National users at a central point, and advise directly back to such National users, through various document management enablers (courier services, fax and web-based facilities);
- 4.3.2 Ensure electronic case load - and information management (including but not limited to electronic case load databases, electronic document management

systems for reporting, electronic project management systems, etc.), as well as the systems to explore the data and undertake trend analysis;

- 4.3.3 Systems to ensure proper data security, integrity, and archiving of employees information;
- 4.3.4 Ensure available / accessible /help desk services;
- 4.3.5 Systems to ensure regular communication between the Service Provider and Users / SASSA; and
- 4.3.6 The bidder must put systems in place to ensure compliance with POPIA (Protection of Personal Information Act, 2013).

4.4 Turnaround Times

- 4.4.1 The turnaround times will be required to be adhered to, from the time of receipt of completed applications from the Employer, until full completion of the assessment and submission of final advise, for:
- 4.4.2 Short incapacity periods (assessment of requests for additional sick leave, for periods less than 30 days) – 12 working days;
- 4.4.3 Long incapacity periods (assessments of requests for additional sick leave, for periods of more than 30 days), where a secondary assessment is not required - 12 working days;
- 4.4.4 Long incapacity periods (assessment of requests for additional sick leave, for periods of more than 30 days), where a secondary assessment is required – 30 working days;
- 4.4.5 Ill-health retirement assessments (full assessment) and advice – 90 working days; and
- 4.4.6 Failure to adhere to the above-mentioned turnaround times will result in SASSA implementing penalties as per the Service Level Agreement.

4.5 Supporting Structures

- 4.5.1 The liaison person must be made available to coordinate the contract and ensure that the service is appropriately managed at all times.
- 4.5.2 The bid submission to provide capability of rendering service delivery to all nine regions, including Head Office.

5 SASSA'S RESPONSIBILITIES

- 5.1 Notify Health Risk Manager of all applications for incapacity leave or ill-health retirement as required of PILIR and the directive.
- 5.2 Deliver all prescribed and other relevant documentation received from the employee, including any and all medical reports, medical certificates and sick leave records in a coherent and legible form to the Health Risk Manager within the specified time frames.
- 5.3 Provide reasonable access to the employment records of the employee for the purpose of considering and investigating the application.
- 5.4 Procure any and all necessary and required consents and releases for the reasonable disclosure of any confidential medical information or other records from the employee in connection with any of the consultancy services.
- 5.5 Make available information pertaining to the PILIR case and personnel as may be reasonably required for considering any application.
- 5.6 Manage the contract in a professional manner.
- 5.7 Provide appropriate information as and when required and only in situations where it is required by the service provider to fulfil their duties.
- 5.8 Not accept any responsibility for accounts/expenses incurred by the service provider that was not agreed upon by the contracting parties.
- 5.9 SASSA will only make monthly payments upon receipt and verification of the usage report and invoice from the service provider.
- 5.10 The Agency will ensure that the service provider will be provided with all data required to perform its duty.

6 MONITORING AND EVALUATION

6.1 The appointed service provider will –

- 6.1.1 Submit quarterly reports to the General Manager: Human Capital Management and or General Managers: Corporate Services in the Regions. In addition, information must be provided as and when required.
- 6.1.2 Attend to meeting requests from the Human Capital Management Units as and when required.
- 6.1.3 Attend to quarterly Steering Committee Meetings.
- 6.1.4 Provide strategic guidance to Human Resource Senior Management (HCM Forum) with regards to identified trends analysis and recommendations or proposed interventions as and when required.

7 REQUIRED SKILLS

7.1 The bidder should demonstrate the following skills set and qualifications:

7.1.1 Skill-Set and Qualifications

Bidder's qualification and experience

- 7.1.1.1 The bidder must have a minimum of three years' experience in projects of a similar nature supported by written references from clients (**Complete Annexure A**).
- 7.1.1.2 The bidder must provide a liaison person who will interact with SASSA and be responsible for managing the project.
- 7.1.1.3 The liaison person must have:
 - ✓ a minimum of 3 years' experience in the health related projects (provide CV with details of contactable reference/s)
 - ✓ A National Qualification Framework (NQF) level 6 qualification in the health related field (certified copy of qualification)

7.1.1.4 The availability of the required skilled staff (experience, qualifications and professional registration); the approach to ongoing training and development of the service provider's staff; sufficient and suitable networks for referrals of applications; and the ability to provide qualitative assistance during hearings / litigation.

7.1.1.5 The assessment must be provided by qualified medical professionals, registered with Health Professions Council with relevant experience in their respective fields recognised and verified by the bidder.

8 BID EVALUATION CRITERIA

The evaluation process will be carried out in terms of the following two (2)

Stages:

The bid proposals shall be evaluated in accordance with the 80/20 principle and shall be conducted as follows:

STAGE 1: Pre-qualification, Special Conditions, Administrative Compliance, Functionality Evaluation

- ✓ **Phase One:** Pre-qualification
- ✓ **Phase Two:** Special Conditions
- ✓ **Phase Three:** Administrative Compliance
- ✓ **Phase Four:** Functionality Evaluation

STAGE 2: Price & BBBEE points

- ✓ **Phase One:** Price and Preference Points

8.1 STAGE 1 - PHASE 1: PRE-QUALIFICATION

8.1.1 Only bidders who are on Broad Based Black Economic Empowerment (B-BBEE) status level of contributor between levels 1 (one) to 4 (four) are eligible to submit their proposals, or

Bidders must be Exempted Micro Enterprises (EME's) or Qualifying Small Enterprises (QSE's) complying with the requirements as set hereunder:

- 8.1.2 Bidders must submit B-BBEE status level Verification Certificates from a Verification Agency accredited by the South African Accreditation System (SANAS).
- 8.1.3 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate.
- 8.1.4 Bidders who qualify as EME's with a total turnover revenue of R10 million or less and level of black ownership must submit a sworn affidavit signed by the EME representative and attested by a Commissioner of Oaths or B-BBEE certificate issued by CIPC.
- 8.1.5 A QSE with a total annual revenue of between R10 million and R50 million must submit a sworn affidavit signed by the QSE representative and attested by a Commissioner of Oaths or B-BBEE status level of contributor.

NB: Failure to comply with the above requirement will result in your proposal being disqualified

8.2 STAGE 1 - PHASE 2: SPECIAL BID CONDITIONS

8.2.1 The bidder must have a minimum of three (3) years' experience in projects of a similar nature supported by referral letters from previous clients, indicating that the service was successfully rendered. **(Complete Annexure A).**

The reference letter to indicate the following:

- details of the exact services rendered,
- the commencement and duration of the contract, and
- contact details of the client;

8.2.2 The bidder must provide CV with details of contactable reference/s of a liaison person who will interface with SASSA and be responsible for managing the project.

The CV of a liaison person must indicate a minimum of 3 years' experience in the health related projects.

The bidder must attach a certified copy of National Qualification Framework (NQF) level 6 qualification in the health related field.

8.2.3 Bidders must submit declaration confirming the use of qualified and registered staff and the ability to render services in all nine (9) Provinces through a multi-disciplinary medical experts. **(Complete Annexure B).**

Note: Failure to comply with the above will automatically disqualify your proposals.

8.3 STAGE 1 - PHASE 3: ADMINISTRATION COMPLIANCE

Bidders must provide the following:

NO	REQUIREMENTS FOR ADMINISTRATIVE COMPLIANCE
8.3.1	Proof of registration with Central Supplier Database
8.3.2	Tax compliance verification pin
8.3.3	Fully completed and signed Standard Bidding Documents (SBD's)

Failure to submit the above mention documents may result in your proposal being disqualified.

8.4 STAGE 1 - PHASE 4 : FUNCTIONALITY CRITERIA

8.4.1 Prospective bidders will be evaluated for functionality as stipulated in the Terms of Reference. Only those bidders who score a minimum of **70 points out of 100 points** on functionality will be considered and proceed to be evaluated further on Price and B-BBEE status level contributor and **80/20** principle will apply.

8.4.2 Bidders will be evaluated in terms of the following values:

1= Poor, 2= Average, 3= Satisfactory, 4 =Good, 5 =Excellent

CRITERIA	Weight
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<u>Project Management Plan</u>		60
Approach	(10)	
Activities (assessment process)	(15)	
Implementation Plan	(15)	
Monitoring and Evaluation	(10)	
Training Plan	(5)	
Contingency Plan	(5)	
<i>NB: Refer to paragraph 4.2</i>		
<u>Data Management System</u>		30
Ability to facilitate handle applications	(10)	
Information Systems	(10)	
Helpdesk Services	(10)	
<i>NB: Refer to paragraph 4.3</i>		
<u>The bidder's current and previous experience</u>		10
3 years = 3		
Above 3 – 5 years = 4		
Above 5 years = 5		
NB: Referral letters from previous clients, indicating that the service was successfully rendered. (Complete Annexure A).		
Total		100

9.2 **STAGE TWO**

PHASE ONE: PRICE AND PREFERENTIAL POINT SYSTEM

CRITERIA	WEIGHT
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Price	80
B-BBEE Status level of contributor	20
Total	100

9.2.1 Provision of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its regulation will apply in terms of awarding points. Preference Points Claim Form, SBD 6.1 should be completed and signed by the bidder to be able to claim preference points. Calculations of points for B-BBEE status level of contributor.

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

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

Bidders must submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a sworn affidavit signed by Emerging Micro Enterprise (EME) representative and attested by the Commissioner of Oaths.

Failure to submit a certificate from accredited verification agency or sworn affidavit substantiating the BBBEE status level of contribution or is a non-compliant contributor, such bidder shall score 0 points out of the allocated maximum points for B-BBEE.

10. PRICING

- 10.1 The proposal should include:
- 10.2 A detailed cost estimate indicating a breakdown of the activities and associated resources per case, total cost for training sessions, and time allocated per activity item described in the deliverables (**complete Annexure C**).
- 10.3 Prospective bidders to provide firm price per item inclusive of Value Added Tax (VAT) as stipulated in the attached **Annexure C**.
- 10.4 The onus is upon the prospective bidder(s) to take into account all costs for the duration of the contract period.
- 10.5 All price offered should be in a South African rands value.

11. SUBMISSION

- 11.1 The bid submission to be clear, concise, factual, and to respond to all information Required;
- 11.2 The service provider to submit details on the following:
 - Annexure A (current and previous contracts (client base)
 - Annexure B (Declaration template)
 - Annexure C (Pricing schedule)
- 11.3 The bidder to submit a full reference list of the clients in respect of whom the service provider has rendered similar services (Health Risk Management implementation), the details of the exact services rendered, the monthly volumes managed per client, the commencement and duration of the contract, as well as contact details for reference checking purposes;

- 11.4 The bidder must provide CV indicating 3 years' experience in the health related projects, including details of contactable reference/s of a liaison person who will interface with SASSA and be responsible for managing the project.
- 11.5 The bidder must attach a certified copy of National Qualification Framework (NQF) level 6 qualification in the health related field
- 11.6 The bid submission to provide a detailed project management plan covering the approach, activities in line with the prescribed time frames as per the Policy and Procedure on Incapacity Leave and Ill-Health Retirement (PILIR), implementation, monitoring and evaluation, training plan and contingency plan.
- 11.7 The bidder to provide full details of the data management systems to -
- 11.7.1 Handle applications from various National users at a central point, and dispatch original applications, assessments and advice directly back to various National users, through various document management enablers (courier services, fax and web based facilities);
- 11.7.2 Ensure electronic case load - and information management (including electronic case load databases, electronic document management systems for reporting, electronic project management systems, etc.), as well as the systems to explore the data and undertake trend analysis; and systems to ensure proper data security, integrity, and archiving of employees information, and ensure available / accessible call centre / help desk services;
- 11.7.3 The bid submission to include details of how comprehensive assessment reporting, management information reporting will be undertaken, as well as how the quality assurance related to these will be managed; and
- 11.7.4 The bid submission to include detailed information regarding litigation, hearings, etc. in which the Provider has assisted its clients, as well as the outcomes thereof.
- 11.8 The Service Provider to quote unit price inclusive of all cost including Value Added Tax (Vat) in line with the Annexure A:

12. DELIVERY OF BID DOCUMENTS

- 12.1 It is the responsibility of the bidder(s) to ensure that his/her proposal(s) are submitted in the bid box before closing date and time of the bid as stipulated in the bid document.

13. BID CONDITIONS

- 13.1 The Agency reserves the right to award the bid in whole or partially or not to award.
- 13.2 The appointed service provider to notify SASSA on any replacement /changes relating to liaison person. The new appointments to comply with SASSA requirements of this bid.
- 13.3 The prospective bidder shall have to treat all available data provided by the Agency in the process as strictly confidential. Such data becomes the property of the Agency and should not be utilized for any other purpose outside the contract.
- 13.4 The bidder must ensure that there are systems put in place to protect SASSA's personal information in terms of Protection of Personal Information Act, 2013.
- 13.5 To coordinate and ensure that any outstanding cases are professionally managed and appropriately handed over to SASSA or its nominee prior / up on termination of contract.
- 13.6 All pending cases should be completed with recommendations and submitted to SASSA thirty (30) days prior to the end of the contract.
- 13.7 The service provider should not accept new cases on the last month of the contract.
- 13.8 The appointed bidder will be required to invoice the Agency after delivery of the service on a monthly basis, quoting the bid number, with full description of the actual services received by the Agency and the order number.
- 13.9 Conduct a compulsory vetting / screening process for the short-listed bidders.

- 13.10 Bidders are required to submit technical proposal separately from financial proposal.
- 13.11 The Bid will be subjected to general conditions of contract as set out by the National Treasury.
- 13.12 No advance payment will be made. Payment would be made in terms of the deliverables or unless otherwise agreed upon by SASSA and the successful bidder.
- 13.13 The bidder will be required to sign a declaration of secrecy with SASSA.
- 13.14 The bidder will be required to sign a service level agreement with SASSA prior the commencement of the contract.
- 13.15 The service provider will be required to comply with Policy and Procedure on Incapacity Leave and Ill-Health Retirement (PILIR) at all times.
- 13.16 SASSA reserves the right to negotiate with preferred bidder(s).
- 13.17 SASSA reserves the right to appoint more than one bidder(s).
- 13.18 SASSA reserves the right to contact the client references provided by the bidder.
- 13.19 Bids to be submitted in line with specifications
- 13.20 Any misrepresentation of information will lead to a bid being disqualified / or cancelation of the contract.
- 13.21 Bidders to send enquiries and questions related to this bid to the following email address (healthrisk@sassa.gov.za)

ANNEXURE A

NB: SASSA shall verify the contents of this list directly with the bidders' clients. Bidders are required to complete this table in full as it shall be the **ONLY ONE** used to evaluate bidders experience and capability in rendering the specialized Health Risk Management Services.

TABLE OF EXPERIENCE

CURRENT AND PREVIOUS CONTRACTS (CLIENT BASE)

A list of current and previous contracts accompanied by appointment letters and referral letters, which are relevant to the service required in the bid specifications must be attached to the bid proposal. The following template must be used and must be completed in full. **Failure to complete the table correctly shall invalidate the bid.**

Indicate all the current and previous contracts accompanied by referral letters which should be for the clients indicated in the table below and **ONLY** those relevant to the specialized Health Risk Management services required.

Name of client / organization where Health Risk Management services / or similar nature has been rendered/implemented	Contract period (indicate start and end dates) e.g. 1 April 2013 to 31 March 2014	Nature of services provided Specialized Health Risk services (e.g. PILIR)	Contact persons and telephone numbers of your client

ANNEXURE B: DECLARATION TEMPLATE

[bidder company letterhead]

DECLARATION OF USE OF APPROPRIATELY QUALIFIED AND REGISTERED STAFF AND AFFILIATES RENDERING PROFESSIONAL HEALTH SERVICES

I / We [*name of Bidder*] hereby declare that I / We will be able to :

- a) use skilled and qualified staff/ affiliates registered with the Health Professions Council / South African Nursing Council to render medical and health related services who will advise the Employer on the applications for temporary incapacity leave and applications for ill-health to SASSA Nationally (all nine regions including Head Office).
- b) render services in all nine (9) Provinces through a multi-disciplinary medical experts.

Name of Bidder Representative: _____

Designation of Representative: _____

Signature of Person authorized to sign the Proposal: _____

Date: _____

ANNEXURE C: PRICING SCHEDULE

	Type of Assessment	Unit Price	Turnaround time
Items	❖ Temporary Incapacity Leave for short periods per case (<29 days).	R.....	12 working days
	❖ Temporary Incapacity Leave for long periods per case (>30 days).	R.....	12 working days
	❖ Ill Health Retirement Assessment per case	R.....	90 working days
	❖ Secondary assessment per case where necessary	R.....	As and when required
	❖ Training cost per session	R.....	As and when required
	TOTAL PRICE EXCL VAT	R.....	
	VAT	R.....	
TOTAL PRICE INCL VAT	R.....		

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this 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 / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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