INVITATION TO BID (SBD 1) ON PROCUREMENT REQUIREMENTS

YOU ARE HEREBY INVITED TO BID FOR THE FOLLOWING SPECIFIED SUPPLY REQUIREMENTS

BID NUMBER: NRF/HartRAO 09/2014-15
CLOSING DATE: 15 April 2015
CLOSING TIME: 11:00

1. SHORT DESCRIPTION

THE SUPPLY, DELIVERY, AND INSTALLATION OF ONE VGOS RADIO TELESCOPE.

Bidders are required to sign the signature page of the SBD1 validating all documents included in the response to this invitation.

Bidders and the NRF must sign the **written contract (SBD7)** either the contract offer and acceptance form or the complex contract form once the delegated authority has approved the award of such contract to a bidder.


<table>
<thead>
<tr>
<th>Briefing Session / Site Visit</th>
<th>Not Compulsory</th>
<th>Date and Time:</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Location:</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Validity period from date of closure: 150 days

EITHER PHYSICALLY OR BY COURIER OR EMAIL (where this option is specified and only in secured PDF format)

Email: vgos@hartrao.ac.za

ENVELOPE ADDRESSING:

PO BOX 443
Krugersdorp
1740
South Africa
Bidders are required to deliver Bids to the correct address timeously. LATE BIDS ARE DISQUALIFIED and return to bidders.

Bidders submit their bid response on the official forms in this invitation (not to be re-typed) with additional information supplied on attached supporting schedules as set out in the Returnable Document Section.

This Bid document includes the National Treasury’s General Conditions of Contract and Specific Conditions to this procurement and is subject to the Preferential Procurement Policy Framework Act and its 2011 Regulations.

**THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

<table>
<thead>
<tr>
<th>NAME OF THE BIDDER</th>
<th></th>
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<tbody>
<tr>
<td>POSTAL ADDRESS</td>
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<tr>
<td>PHYSICAL ADDRESS</td>
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<tr>
<td>TELEPHONE NUMBER</td>
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<td>CELL NUMBER</td>
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<td>FAX NUMBER</td>
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<td>EMAIL ADDRESS</td>
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<tr>
<td>VAT REGISTRATION NUMBER</td>
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</tbody>
</table>

HAS AN ORIGINAL AND VALID TAX CERTIFICATE BEEN SUBMITTED? (SBD 2) YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY (TICK APPLICABLE BOX)

- AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
- A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR
- A REGISTERED AUDITOR

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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? YES/NO (IF YES ENCLOSE THE PROOF)

SIGNATURE OF THE BIDDER______________________________________________________________

DATE______________________________________________________________

CAPACITY UNDER THIS IS SIGNED______________________________________________
REQUEST FOR PROPOSAL: VGOS RADIO TELESCOPE

Request for tenders for the procurement of

one VGOS radio telescope

for delivery to

Hartebeesthoek Radio Astronomy Observatory
(HartRAO)
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GENERAL INFORMATION

This document details the Request for Proposal (RFP) from Hartebeesthoek Radio Astronomy Observatory (HartRAO) for the procurement of one VGOS radio telescope.

Any queries regarding the bidding procedure must be directed to:
Contact person: Zanele Ntshakala
Supply Chain Management Officer
Tel: +27 (0)12 301 3213
Email: zanele@hartrao.ac.za

Any queries regarding the technical information must be directed to:
Contact person: Philip Mey
Project Manager, VGOS Radio Telescope
E-mail: philip@hartrao.ac.za
Phone: +27 12 301 3226/3100

Any technical questions should be directed to the contact person in email: philip@hartrao.ac.za with a copy sent to ludwig@hartrao.ac.za

2. Aim/Purpose of this bid

The purpose of this RFP is to invite tenders for the design, manufacturing, delivery, installation and commissioning of a new VGOS radio telescope at the HartRAO site.

3. Introduction

The Hartebeesthoek Radio Astronomy Observatory (HartRAO) started in 1961 as Deep Space Station 51, part of the National Aeronautics and Space Administration's (NASA) Deep Space Network. It has been converted to a radio astronomy observatory in 1975 and now falls under the National Research Foundation (NRF) of South Africa.

HartRAO has been involved in geodesy since the 1980s using space techniques for the measurement and representation of the Earth. One of the main techniques employed is Very Long Baseline Interferometry (VLBI) which is used to determine the Earth Orientation Parameters (EOP) and Terrestrial and Celestial Reference Frames (TRF and CRF). HartRAO is currently the only station on the African continent participating in VLBI measurements. The observatory is involved in various geodesy and astronomy applications and because of HartRAO’s location in the southern hemisphere, plays an important role in the international geodesy and astronomy networks.

HartRAO has been allocated funding by the NRF for a new VGOS antenna. The aim of this new antenna is to contribute to the IVS VGOS project: to provide 1 mm accuracy on global baselines; to allow continuous measurements and to reduce the turnaround time to initial geodetic results.

A location close to the existing facility with easy road access has been identified for the new antenna. The necessary radio frequency interference studies have been completed together with an initial geological survey using DC resistivity measurements. Core sampling will be scheduled to occur by early 2015. Site preparations would be able to proceed thereafter and be completed late 2015/2016. The planned commissioning of the new antenna is during 2016 with operations starting at the end of 2016/2017.

The request for proposal described in this document is for the procurement; delivery and assembly of the antenna at the prescribed location at HartRAO, South Africa.

More information about HartRAO can be found at www.hartrao.ac.za

4. Document overview and RFP structure

This document is the starting point of the RFP. It is divided into three sections. The first section covers all the details associated with the RFP (thus more emphasis on HartRAO). The second section provides details on the tender itself and the submission process (more emphasis on the SUPPLIER). These sections cover the administration side with details on:
• how tenders are to be prepared;
• where the tenders must be submitted;
• what documents need to be submitted with the tender;
• and a timeline representing the entire tender process.

The document ends with general information that has an impact on the tender, such as legal matters and some additional information. It is suggested that prospective SUPPLIERS first familiarise themselves with the conditions stated in paragraph **19: Elimination and non-acceptance criteria** before beginning to compile the tender documents.

Documents associated with this Request for Proposal:

1. Request for Proposal: VGOS Radio Telescope (this document with reference HRAO-VGOS.RFP-001)
3. Appendix B: Project Schedule for the RFP: VGOS Radio Telescope (HRAO-VGOS.RFP-001-B01)
4. Appendix C: Pricing Information for the RFP: VGOS Radio Telescope (HRAO-VGOS.RFP-001-C01)

5. **Proposal specifications**

The detailed technical specifications for this proposal are included in **Appendix A: Technical Specifications**. Please refer to this document for all the technical requirements that the antenna needs to adhere to and additional information on the project.

A contract will only be entered into with one SUPPLIER.

6. **Contract period**

The contract consists of a once-off contract period for the purchase, delivery, and installation of a new VGOS radio telescope as described in the paragraph **5: Proposal specifications**, as well as the knowledge transfer (training) for operating, servicing and maintaining the radio telescope.

7. **Delivery terms and payment**

Delivery is after the physical installation on site at HartRAO and evidenced by a handover certificate. Ownership transfers to HartRAO after delivery, installation, testing and sign-off at the physical site at HartRAO.

**Appendix B: Project Schedule** provides the delivery timeline and payment schedule. The SUPPLIER must fill out the form with the necessary dates and discuss any changes made to the existing dates.

8. **Tender schedule**

The following time frame is currently envisaged for the tender process. Depending on how things progress, some dates may change (e.g. if the tender evaluation progresses swiftly, the tender may be awarded before the specified date).

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Request for proposal sent to qualified suppliers and advertised</td>
<td>13 March 2015</td>
</tr>
<tr>
<td>Deadline for questions regarding the proposal</td>
<td>1 April 2015</td>
</tr>
<tr>
<td><strong>Deadline for submitting a tender</strong></td>
<td><strong>15 April 2015 at 11h00 GMT+2</strong></td>
</tr>
<tr>
<td>Deadline for bid acceptance</td>
<td>15 September 2015</td>
</tr>
</tbody>
</table>

9. **Additional Information regarding the RFP**

If a tenderer needs clarification on any matters in the RFP (inconsistencies, additional information, verifications) they should request this information by email from the contact person at HartRAO. These requests must be marked: "HRAO-VGOS.RFP-001 – Topic" where *Topic* can be any word or short
description to identify this query. Responses to these requests may be distributed to all tenderers, but the origin of the request will remain anonymous. If any errors are discovered, the contact person at HartRAO must be informed of this by email.

10. Withdrawal or changes to the RFP

HartRAO has the right to correct, supplement or change aspects of the RFP prior to the deadline for submitting a tender. If such changes occur, the qualified SUPPLIERS will immediately be notified in writing (email). In the case that this email is not acknowledged, the respective SUPPLIERS will be contacted to confirm that they are aware of these changes. HartRAO reserves the right to terminate the proposal process by notifying the SUPPLIERS in writing (email). If this email is not acknowledged, the respective SUPPLIERS will be contacted to confirm that they have received the notice of termination.

11. List of documents to submit

This is the list of documents, as described in this RFP, which need to be completed and submitted as part of the tender. It is suggested to use this checklist to ensure that all the necessary documents are submitted. The SUPPLIER must however consult the appropriate appendices to ensure all relevant information is given within these documents.

<table>
<thead>
<tr>
<th>Request for proposal: VGOS Radio Telescope</th>
<th>HRAO-VGOS.RFP-001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix A: Technical Specifications for RFP: VGOS Radio Telescope</td>
<td>HRAO-VGOS.RFP-001-A01</td>
</tr>
<tr>
<td>Appendix B: Project Schedule for RFP: VGOS Radio Telescope</td>
<td>HRAO-VGOS.RFP-001-B01</td>
</tr>
<tr>
<td>Appendix C: Pricing Information for RFP: VGOS Radio Telescope</td>
<td>HRAO-VGOS.RFP-001-C01</td>
</tr>
</tbody>
</table>

Documents detailed in RFP: VGOS Radio Telescope:

- Additional company information
- Certified copies of certificates of incorporation (as per entity type – Pty, etc.)
- Proof of previous VGOS projects with contact details of references
- Tender/Proposal
- Confirmation that no National Treasury restrictions (both restricted supplier and tender defaulter) exist on the bidder or on the bidder’s shareholders. Refer to the database link on the National Treasury website [www.treasury.gov.za](http://www.treasury.gov.za)
- Declaration of bidder’s past Supply Chain Management practises (SBD 8 form attached)
- Declaration of interest (SBD 4 form attached)
- Preference claim form (SBD 6.1 form attached) supported by your B-BEE contribution level certificate.
- Submission of the National Treasury General Conditions of Contract (attached)
- Supplier profile, including currently procured services.
- An invitation to bid (SBD 1 form attached)
- A price schedule (SBD 3.2 and SBD 3.3 forms attached). As the envisaged details will not fit on the form, attach detail schedules to the form (see paragraph 21: Pricing proposal for more information). The cost schedules must clearly stipulate costs by type and breakdown together with all the relevant assumptions and information as outlined in this bid document.
Documents detailed in Appendix B:

- Detailed drawings (antenna from all sides; back structure; panels and adjusters; etc.)
- Access road and clearance specifications
- Design specifications (detailed foundations and tower specifications and drawings)
- Power plan
- Servomechanism layouts (including cabling)
- Test, commissioning and verification matrix
- Any additional documents discussed in Appendix B

Documents detailed in Appendix C:

- Supplementary documents
Details on the Tender Procedure

This RFP is advertised and sent to pre-qualified suppliers to invite companies to submit tenders for the delivery of a VGOS radio telescope at HartRAO.

In this process, there is no opportunity to negotiate and as such it is not permitted to change the tenders or attempt to change the tenders through negotiations, including amending the price, delivery date or other conditions that are of significance to the competitive conditions. The tenderer therefore has to submit their best offer before the deadline for the submission of tenders.

The objective of this RFP is to obtain valid prices and data for evaluation purposes. These will be used to identify a tenderer and negotiate a contract for the delivery of one VGOS radio telescope at HartRAO.

12. Confidentiality and disclosure of proposal information

HartRAO and its employees are obligated to prevent others from gaining access to, or knowledge of, information about technical devices and procedures or operating and business matters which for competition reasons is important to keep secret. For both HartRAO and the SUPPLIER, any information that needs to be shared with a third-party to evaluate and complete the project will be done in confidence. SUPPLIERS should provide a censored document of the tender which can be made publicly available. The SUPPLIER must also clearly indicate whether any prices on the tender need to be censored. In the event of a request for information, the censored document will be used where applicable.

13. Submission of proposals

The submission of the tender documents is as follows.

<table>
<thead>
<tr>
<th>No.</th>
<th>Requirements</th>
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<tbody>
<tr>
<td>1.</td>
<td>The tender must be either submitted in a double envelope; or submitted electronically. If submitted per envelope, electronic copies need to accompany the hard copies. The outer envelope must be couriered to: Mr PH MEY, Hartebeesthoek Radio Astronomy Observatory, Farm 502JQ, Broederstroom Road, Hartebeesthoek, Krugersdorp, 1740, SOUTH AFRICA. The inner envelope must be marked with the SUPPLIER’s name and “Tender for the procurement of one VGOS radio telescope. RFP: HRAO-VGOS.RFP-001.” For electronic submission the signed tender with all relevant documents must be emailed to <a href="mailto:vgos@hartrao.ac.za">vgos@hartrao.ac.za</a> with the subject title “SUPPLIER’s name; Tender for the procurement of one VGOS radio telescope. RFP: HRAO-VGOS.RFP-001.” The deadline for submission remains the same regardless of the method of submission – as such the email address will become inactive after the deadline.</td>
</tr>
<tr>
<td>2.</td>
<td>The tender must be made in writing; be dated and signed; and must contain all documents listed in paragraph 11: List of documents to submit.</td>
</tr>
<tr>
<td>3.</td>
<td>The tender may be submitted by courier or email.</td>
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<tr>
<td>4.</td>
<td>The tender, including all attachments, must be written in English.</td>
</tr>
<tr>
<td>5.</td>
<td>A total of three copies of the tender must be submitted. One copy will be used for evaluating the tenders. One electronic copy (scanned copy of the signed tender documents) which will archived. If the tender is submitted by email, it is not necessary to include this copy as the original will be archived. One copy of the tender needs to be censored for business secrets which, for competition reasons, is important to be kept secret. This copy is to be used in the event of any requests for access. In addition, a complete version of the tender documents (PDF format), including an editable censored version, need to be submitted electronically (on CD, DVD, or flash drive).</td>
</tr>
<tr>
<td>6.</td>
<td>The SUPPLIER must make a list of the censored sections and include explanations of why they consider these sections to contain business secrets. If the SUPPLIER censors very extensively,</td>
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</table>
14. Requests for more information on tenders and tenderers

HartRAO reserves the right to seek any clarification relating to any ambiguity or uncertainty within a tender.

HartRAO reserves the right to call interviews/presentations/pitching sessions with short-listed bidders before the final selection is done.

HartRAO reserves the right to have any documentation submitted by the bidders inspected by another technical body or organisation.

Prior to the signing of a contract, HartRAO may consider it necessary to inspect the SUPPLIER’s facilities in order to verify things such as production capabilities, quality assurance mechanisms, and document control procedures. By submitting this tender, the SUPPLIER agrees that they will admit such inspections by HartRAO.

15. Venue for proposal submission

The submission of proposals, as detailed in paragraph 13: Submission of proposals, can couriered, posted or electronically submitted to HartRAO. The project manager at HartRAO must be listed as contact person for these packages. These packages should still contain everything detailed in paragraph 13: Submission of proposals and must be addressed as follow.

Courier address:

Mr PH MEY
Hartebeesthoek Radio Astronomy Observatory,
Farm 502[JQ, Broederstroom Road,
Hartebeesthoek,
Krugersdorp,
1740

Postal address:

Mr PH MEY
Hartebeesthoek Radio Astronomy Observatory,
PO Box 443,
Krugersdorp,
1740

Electronic submissions:

vgos@hartrao.ac.za
Subject line: SUPPLIER’S name – Tender for the procurement of VGOS radio telescope. RFP: HRAO-VGOS.RFP-001

Paragraph 11: List of documents to submit provides a check-list of all the necessary documents to be submitted with this tender.

16. Deadline for submission

Proposals need to be submitted before 15 April 2015 at 11h00 GMT+2.

17. Deadline for bid acceptance

After the submission deadline, the supplier must abide by the bid until 15 September 2015.
18. Withdrawal or changes to the tender
Submitted tenders may be withdrawn or altered before the submission deadline on 15 April 2015 at 11h00 GMT+2.
Any withdrawal of a tender must be made in writing and must be confirmed as received by the HartRAO project manager.
Any and all alterations to an existing tender are to be considered as part of a new tender. That is, the original tender will be marked as invalid and the new proposal replaces the original. The new proposal must be entirely complete with all the required documentation.

19. Elimination and non-acceptance criteria
Proposals will not be considered if the SUPPLIER cannot:
- Provide proof of successfully completing similar VGOS project(s) in the past ten years.

Proposals may be eliminated at HartRAO’s discretion under the following conditions:
- Minimum requirements not being met;
- Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner.

20. Evaluation and decision process
The tenders that have not been eliminated, as specified in paragraph 19: Elimination and non-acceptance criteria, will be evaluated based on their quality and price.

20.1 Preference system
The preference system used is the 90:10 system.

20.2 Bid evaluation process
The Bid Evaluation Committee will, after the closing date, evaluate all submitted bids using the entire tender document including technical/quality/functionality requirements; delivery time; and pricing (capital and running costs).
Shortlisted candidates may be required to give a presentation to the Evaluation Committee. This can be done via teleconferencing.
The Evaluation Committee reserves the right to request evidential documentation to support any or all of the technical criteria to enable it to evaluate the bidder’s competence and ability to deliver the scope of work in the Bid Invitation document.

20.3 Evaluation scoring
Technical/Quality/Pricing Evaluation Scoring is done on a rating scale of 0 to 4 with:
0 - Non-compliance,
1 - Poor,
2 - Average,
3 - Meets Requirements,
4 - Exceeds Requirements

The Total Points Scored is the total of the evaluations scored per category multiplied by the weighting percentage for each category expressed as a percentage of the Total Points. Each evaluator’s percentage calculated is aggregated and divided by the number of evaluators to establish an overall percentage mark.

\[
\text{Total Points} = \frac{\sum_{i=1}^{n}(\sum_{j=1}^{m} \text{Score per element}_ij \times \text{Weight per element}_j)}{4 \times 100 \times n}
\]

where \( n \) is the total number of evaluators.
Example for the technical element:
20.4 Price evaluation

The following prices will be summarised and used for the evaluation.

1. The complete offer price from the SUPPLIER for the delivery.
2. The construction, foundation and building expenses that HartRAO will have to undergo to prepare the site as required by the SUPPLIER. Should the requirements be the same for the different tenders, these costs will be the same. The construction work will be put on tender locally.
3. The costs to HartRAO for rig deliveries; customer services; and temporary installations based on the SUPPLIER’s specifications. Some of these costs, e.g. rig costs, might be included in the total price for delivery, but any additional costs should be listed and clarified here.
4. The Life Cycle Costs (LCC): maintenance costs including electrical power and consumables will be calculated for a period of 20 years based on the operational and maintenance procedures of the SUPPLIER.
5. The hourly rates on Variation Orders: the SUPPLIER must provide hourly rates on categories of personnel for use related to Variations. These rates will be multiplied by 200 hours and included in the evaluation.
6. SUPPLIER’s offered price on the Spare Part Kit.

The pricing is to be done as detailed in paragraph 21: Pricing proposal.

20.5 Functional evaluation

The quality evaluation of the telescope will have emphasis on:

1. Access to and availability of essential telescope functions to be controlled and maintained.
2. Operational simplicity with regards to interfacing and controlling the telescope.
3. After sales service and availability of spare parts from the SUPPLIER.
4. Project timeline (execution and delivery).

20.6 Evaluation criteria

A minimum of 60% is required on the technical evaluation for a tender to be considered further for price and preferential points.

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<tr>
<th>ELEMENT</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>WEIGHT</th>
<th>SCORE</th>
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<tbody>
<tr>
<td>TECHNICAL</td>
<td></td>
<td></td>
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<td>100</td>
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<tr>
<td>VGOS Specifications (degree to which tender exceeds the full func-</td>
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</table>
21. Pricing proposal

Pricing is to be done on a total cost basis, separated as follows:

- Initial cost
- Delivery cost
- Installation and testing costs

A full breakdown of the costs, including detailed bill of materials, contingencies, etc., must be provided.

1. Prices need to be provided in South African currency (ZAR) and be inclusive of all costs; value added tax and other taxes (where applicable).

2. The foreign exchange risk is for the account of the bidder. The exchange rate used for calculations must be shown. These prices will be adjusted to reflect the exchange rate on the day of submission; and will thereafter be fixed to this price regardless of further exchange rate fluctuations.

3. Prices should include all additional cost elements such as freight; insurance until acceptance; and delivery costs.

4. The price summary is to be recorded on the Standard Bidding Documents 3 series (pricing) – included in this document – with reference to Appendix C: Pricing Information. This appendix provides an example of the breakdown of costs that are expected and should be expanded by the SUPPLIERS. The form should be completed in a clear and precise manner.

22. Validity period of proposals

Each proposal shall be valid for a minimum of five months calculated from the submission deadline. The date which reflects this calculation is the bid acceptance deadline of 15 September 2015.

23. Selection of a bidder

Once the bid award committee has reached a decision, the successful bidder is informed through a written
letter of acceptance, which in conjunction with elements detailed in the Standard Bidding Document 7 forms the contract between HartRAO and the bidder.
FURTHER INFORMATION AND LEGALITIES

24. Occupational Health and Safety

The SUPPLIER has a duty as supervisor while working on the site to ensure the health and safety of people at work. The SUPPLIER is obliged to comply with Act No. 85 of 1993: Occupational Health and Safety Act as amended by Occupational Health and Safety Amendment Act, No. 181 of 1993 of South Africa. This act is available online at: www.labour.gov.za/DOL/legislation/acts/occupational-health-and-safety/read-online/amended-occupational-health-and-safety-act


A health and safety plan is required before the installation can proceed on site. The SUPPLIER must submit a health and safety plan for approval by HartRAO before transporting and installing the telescope. This plan must describe the organisation at the site and the health and safety responsibilities of each member of the assembly team. In addition, the plan should describe the possible dangers associated with each working operation; methods of reducing the danger; and steps for preparing workers to work safely on site.

The major concerns during the installation phase are falls from a height and the possibility of being hit by a falling object. HartRAO and the SUPPLIER must discuss the health and safety plan before transportation and installation are to begin. HartRAO has the right to inspect the work done in the factory; during transport and on site at any time and can stop work that puts workers in danger.

25. Location and transport considerations

The Hartebeesthoek Radio Astronomy (HartRAO) observatory is situated in the Gauteng province of South Africa.

Figure 1: VLBI stations across the world. HartRAO currently being the only one situated on the African continent

1 Modified from the original image available at: http://ivscc.gsfc.nasa.gov/stations/ns-map.html (June 2014)
25.1 Laws and environmental concerns

Before site preparations and the construction of the new antenna begin, HartRAO will conclude an Environmental Impact Assessment (EIA) in accordance with local laws. The SUPPLIER must specify any road and site clearance requirements; e.g., the minimum required road width; maximum tonnage that will be transported on the road; and the clearance required at the site.

The SUPPLIER is committed to adhere to the laws and regulations of South Africa regarding the delivery and assembly of the new antenna.

25.2 Weather statistics

<table>
<thead>
<tr>
<th>Location</th>
<th>Hartbeesthoek Radio Astronomy Observatory, Farm 502JQ, Broederstroom Rd, Gauteng, South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elevation</td>
<td>~1410m</td>
</tr>
<tr>
<td>Weather statistics for last 5 years:</td>
<td></td>
</tr>
<tr>
<td>Precipitation</td>
<td>~52 mm/day</td>
</tr>
<tr>
<td>Snow max depth</td>
<td>20 cm</td>
</tr>
<tr>
<td>Temperature min</td>
<td>-6°C (25 June 2011)</td>
</tr>
<tr>
<td>Temperature max</td>
<td>33.7°C (25 January 2013)</td>
</tr>
</tbody>
</table>

25.3 Infrastructure

The infrastructure at and around HartRAO is well developed. OR Tambo international airport is reachable within one and a half hours of driving. There is some accommodation available on site; and further accommodation can be found at the closest city, Krugersdorp. Accommodation and personnel transport will be arranged by HartRAO, but the SUPPLIER must indicate what their requirements are such as the number of personnel. Breakfast, lunch and dinner will be the SUPPLIER’s/individual’s responsibility. There is easy access to all amenities, which are also reachable within 20 minutes from the site.

25.4 Radio silent area

Keep in mind that HartRAO is designated as a radio silent area and therefore mobile phone calls are not allowed on site; however a landline phone system is available. Calls on the landline, internal to HartRAO, are free of charge but HartRAO retains the right to bill the SUPPLIER for any outgoing local and international calls.

High-speed internet will be freely available by means of a local area network (LAN) connection but wireless connections are prohibited.

If the SUPPLIER wishes to make use of radio frequency transmission devices, they must clear it with HartRAO beforehand to ensure that it will not cause any radio frequency interference (RFI).

25.5 Transportation

All transportation, from the workshop to the HartRAO site, as well as the equipment necessary for the assembly of the antenna, needs to be arranged by the SUPPLIER. Even though the arrangements need to be made by the SUPPLIER, they must still specify these requirements as detailed in Appendix A: Technical Specifications so that HartRAO can suggest or provide alternatives if necessary.

To transport the antenna, there are various ports situated around South Africa’s coast. The closest port is in Durban (641km) with one alternative being Cape Town harbour (1446km from site). National highways (N1 to Cape Town; N3 to Durban) connect both these ports with HartRAO. As Durban is closer by road; has less hills and the road has two lanes in each direction; the Durban port is considered to have a logistical advantage. Regardless of choice, the SUPPLIER must provide a transport schedule detailing the expected dates and times for transporting the antenna from the workshop to the site at HartRAO. This is an extension to the project schedule concerning the logistics associated with transporting the antenna to the site. The schedule should be accurate to within ±14 days and must be communicated to HartRAO at least 1 month prior to the antenna being shipped.

For further information regarding road access, please consult the South African Road Agency (SANRAL), http://www.nra.co.za/
For further information regarding port access, consult the Transnet National Ports Authority,  
http://www.transnetnationalportsauthority.net/

26. Enquiries and contact information
Any enquiry regarding this RFP must be emailed to the contact person at HartRAO at philip@hartrao.ac.za  
with a copy sent to ludwig@hartrao.ac.za and the subject: “HRAO-VGOS.RFP-001 – Topic” where Topic is a  
short description to identify the query.

27. Medium of communication
All documentation submitted in response to this RFP must be in English.

28. Cost of proposal
SUPPLIERS are expected to fully acquaint themselves with the conditions, requirements and specifications  
of this RFP before submitting proposals. HartRAO is not responsible, directly or indirectly, for any expenses  
incurred in the preparation or lodging of the tender or participation in the RFP process.

29. Verification of documents
It is the responsibility of the SUPPLIER to verify the correctness of the tender documents. The SUPPLIER  
accepts that any mistakes regarding prices and calculations will be at their own risk

30. Offers are binding
By submitting a tender, the SUPPLIER agrees that the offer in the proposal shall remain binding upon them  
and receptive for acceptance by HartRAO during the validity period (the period of time between the  
deadline for submissions and the deadline for bid acceptance).  
Tenders submitted in response to this RFP will not necessarily be accepted.  
No contract will be created in response to this RFP until a formal agreement has been reached between  
HartRAO and the selected SUPPLIER.

National Treasury General Conditions of Contract; as attached, apply to this contract.

31. Financial and performance securities
The selected SUPPLIER may be required to furnish financial securities to HartRAO that it can carry and  
execute the project, with the minimum associated risks, before the contract commences. These securities  
should be in the form of the applicable bank guarantees acceptable by HartRAO.

32. Insurance
The SUPPLIER will be solely responsible for and will indemnify HartRAO against any and all losses, costs,  
damages, demands and claims arising out of or in connection with illness, injuries or death of any and all  
persons or employees (including their own employees, employees of subcontractors or their agents and  
representatives) and/or damage to the property of any or all such persons, in any way sustained and/or  
allegedly sustained in connection with or by reason of the performance or execution of the contract by the  
SUPPLIER.

33. Warranties
Warranties should take into account the requirements for reliability; maintainability and performance and  
should, at minimum, warrant against any defects in the design or performance of the antenna.

34. Disclaimers
HartRAO has produced this RFP in good faith. However, HartRao and its employees do not warrant its  
accuracy or completeness. To the extent that HartRAO is permitted by law, HartRAO will not be liable for  
any claim whatsoever and howsoever arising (including, without limitation, any claim in contract,  
negligence or otherwise) for any incorrect or misleading information contained in this RFP due to any
misinterpretation of this RFP.

This RFP is a request for proposals only and not an offer document; answers to it must not be construed as acceptance of an offer or imply the existence of a contract between the parties.

HartRAO is not responsible, directly or indirectly, for any expenses incurred in the preparation or lodging of the tender or participation in the RFP process.

By submission of its proposal, SUPPLIERS shall be deemed to have satisfied themselves with and to have accepted all Terms & Conditions of this RFP.

HartRAO is not bound to select any of the SUPPLIERS.

Signed on ______________________ by __________________________

__________________________  __________________________
Philip Mey                  Ludwig Combrinck
Project Manager: VGOS Radio Telescope  Acting Director
Hartebeesthoek Radio Astronomy Observatory  Hartebeesthoek Radio Astronomy Observatory

Signed on ______________________ by __________________________
SUPPLIER  Witness
Name: __________________________  Name: __________________________
Position: __________________________  Position: __________________________
Signature: __________________________  Signature: __________________________
**Pricing Schedule – Non-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.

<table>
<thead>
<tr>
<th>Name of bidder</th>
<th>Bid number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing Time</td>
<td>11:00</td>
</tr>
<tr>
<td>Closing date</td>
<td>15 April 2015</td>
</tr>
</tbody>
</table>

Offer to be valid for 150 days from the closing date of bid.

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Description</th>
<th>Bid Price in RSA Currency <strong>(All Applicable Taxes Included)</strong></th>
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</table>

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

At:

Brand and model

Country of origin

Does the offer comply with the specification(s)?

If not to specification, indicate deviation(s)

Period required for delivery

*Delivery: Firm/not firm

Delivery basis

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

*Delete if not applicable
PRICE ADJUSTMENTS

A  NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA

\[ Pa = \left(1 - V\right)Pt \left( D_1 \frac{R_{1t}}{R_{1o}} + D_2 \frac{R_{2t}}{R_{2o}} + D_3 \frac{R_{3t}}{R_{3o}} + D_4 \frac{R_{4t}}{R_{4o}} \right) + VP_t \]

Where:

- \( Pa \) = The new escalated price to be calculated
- \( (1-V)Pt \) = 85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price
- \( D_1, D_2, \ldots \) = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors \( D_1, D_2 \ldots \) etc. must add up to 100%.
- \( R_{1t}, R_{2t} \) = Index figure obtained from new index (depends on the number of factors used).
- \( R_{1o}, R_{2o} \) = Index figure at time of bidding
- \( VP_t \) = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price

|----------------|----------------|----------------|----------------|----------------|----------------|

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

<table>
<thead>
<tr>
<th>FACTOR (D1, D2 etc. eg. Labour, transport etc.)</th>
<th>PERCENTAGE OF BID PRICE</th>
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</table>
PRICE ADJUSTMENTS

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

<table>
<thead>
<tr>
<th>PARTICULARS OF FINANCIAL INSTITUTION</th>
<th>ITEM NO</th>
<th>PRICE</th>
<th>CURRENCY</th>
<th>RATE</th>
<th>PORTION OF PRICE SUBJECT TO ROE</th>
<th>AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD</th>
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</table>

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

<table>
<thead>
<tr>
<th>AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:</th>
<th>DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE</th>
<th>DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE</th>
<th>DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE</th>
</tr>
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</table>
# PRICING SCHEDULE

(Professional Services)

<table>
<thead>
<tr>
<th>Name of bidder</th>
<th>Bid number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Closing Time</th>
<th>Closing date</th>
</tr>
</thead>
<tbody>
<tr>
<td>11:00</td>
<td>15 April 2015</td>
</tr>
</tbody>
</table>

**OFFER TO BE VALID FOR** 150 days **FROM THE CLOSING DATE OF BID.**

<table>
<thead>
<tr>
<th>ITEM</th>
<th>QUANTITY</th>
<th>DESCRIPTION</th>
<th>BID PRICE IN RSA CURRENCY <strong>(ALL APPLICABLE TAXES INCLUDED)</strong></th>
</tr>
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</table>

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

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

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

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

<table>
<thead>
<tr>
<th>Person/Position</th>
<th>Hourly Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R</td>
<td>R</td>
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</table>

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

<table>
<thead>
<tr>
<th>Phase</th>
<th>Hourly Rate</th>
<th>Daily Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel expenses</td>
<td>R</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td>R</td>
<td>R</td>
</tr>
<tr>
<td></td>
<td>R</td>
<td>R</td>
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</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description of Expense to Be Incurred</th>
<th>Rate</th>
<th>Quantity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R</td>
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</table>

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

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

TOTAL: R

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

7. Estimated man-days for completion of project

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

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

*[DELETE IF NOT APPLICABLE]
1 PREFERENCE POINTS CLAIMED (SBD 6.1)

In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points are claimed for attaining the B-BBEE status level of contribution in accordance with the table set out below:

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor per B-BBEE Certificate</th>
<th>Number of points per system 90/10</th>
<th>Number of points per system 80/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>18</td>
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<td>3</td>
<td>8</td>
<td>16</td>
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<td>5</td>
<td>12</td>
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<td>5</td>
<td>4</td>
<td>8</td>
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</table>

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor per B-BBEE Certificate</th>
<th>Number of points per system 90/10</th>
<th>Number of points per system 80/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6</td>
<td>3</td>
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<td>4</td>
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B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF THE ABOVE TABLE:

<table>
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<tr>
<th>Level</th>
<th>=</th>
<th>90:10</th>
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(Points claimed are substantiated by means of a B-BBEE certificate issued by a Verification Agency [accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA] which is on file with you through our supplier registration on your supplier database and is available if required for validation).

I/we, the undersigned, who is/are duly authorized to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution 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 the SBD6.1.

iii. In the event of a contract being awarded as a result of points claimed as shown above, the contractor has filed the documentary proof in the NRF supplier database when registered and, upon request, furnish documentary proof to the satisfaction of the NRF that the claims are correct;

iv. I/we acknowledge that if the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the NRF may, in addition to any other remedy it may have –

   a) Disqualify the contractor from the bidding process;

   b) Recover costs, losses or damages it has incurred or suffered as a result of our 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 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 ten (10) years, after the audi alteram partem (hear the other side) rule has been applied; and forward the matter for criminal prosecution

2 DECLARATION OF INTEREST (SBD 4)

Any legal person, including persons employed by the State¹, or persons having a kinship with persons employed by the State, including a blood relationship, may make an offer or offers in terms of this invitation to Bid (includes an advertised competitive Bid, a limited Bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting Bid, or part thereof, be awarded to persons employed by the State, or to persons connected with or related to them, it is required that the Bidder or his/her authorised representative, declare his/her position in relation to the evaluating/adjudicating authority where:

- The Bidder is employed by the State; and/or
- The legal person on whose behalf the Bidding Document is signed, has a relationship with persons/s person who is/are 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.

In order to give effect to the above, the following questionnaire must be completed and submitted with this Bid:

- Full Name of Bidder or his/her representative
- Identity Number:
- Position occupied in the Company (director, trustee, shareholder², member):
- Registration number of company, enterprise, close corporation, partnership agreement or trust:
- Tax Reference Number:
- VAT Registration Number:
- The names of all directors/trustees/shareholders/members, their individual identity numbers, tax reference numbers and, if applicable, employee/PERSAL numbers must be indicated in a separate schedule including the following questions:

  | Schedule attached with the above details for all directors/members/shareholders | Yes | No |
  | Are you or any person connected with the Bidder presently employed by the state? If so, furnish the following particulars in an attached schedule: | Yes | No |

  | Name of person/director/trustee/shareholder/member: |
  | Name of state institution at which you or the person connected to the Bidder is employed |
  | Position occupied in the state institution |
Any other particulars:

<p>| | |</p>
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</table>

- If you are presently employed by the State, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? If Yes, did you attach proof of such authority to the Bid document? If No, furnish reasons for non-submission of such proof as an attached schedule. 
  (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the Bid.)

  - Yes
  - No

- Did you or your spouse or any of the company's directors/ trustees /shareholders /members or their spouses conduct business with the State in the previous twelve months? If so, furnish particulars as an attached schedule:

  - Yes
  - No

- 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? If so, furnish particulars as an attached schedule.

  - Yes
  - No

- Are you, or any person connected with the Bidder, aware of any relationship (family, friend, other) between any other Bidder and any person employed by the State who may be involved with the evaluation and or adjudication of this Bid? If so, furnish particulars as an attached schedule:

  - Yes
  - No

- Do you or any of the directors/ trustees/ shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract? If so, furnish particulars as an attached schedule:

  - Yes
  - No
DECLARATION OF BIDDER’S PAST SCM PRACTICES (SBD 8)

- Is the Bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? If Yes, furnish particulars as an attached schedule:
  - Yes
  - No

- Is the Bidder or any of its directors listed on the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? If Yes, furnish particulars as an attached schedule:
  - Yes
  - No

- Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? If Yes, furnish particulars as an attached schedule:
  - Yes
  - No

- Was any contract between the Bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? If Yes, furnish particulars as an attached schedule:
  - Yes
  - No

The Database of Restricted Suppliers and Register for Tender Defaulters resides on the National Treasury’s website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.

CERTIFICATE OF INDEPENDENT BID DETERMINATION (SBD 9)

I, the undersigned, in submitting this Bid in response to the invitation for the Bid made by the NATIONAL RESEARCH FOUNDATION, do hereby make the following statements that I certify to be true and complete in every respect:

- I have read and I understand the contents of this Certificate;  
  - Yes
  - No

- I understand that the Bid will be disqualified if this Certificate is found not to be true and complete in every respect;  
  - Yes
  - No

- I am authorised by the Bidder to sign this Certificate, and to submit the Bid, on behalf of the Bidder;  
  - Yes
  - No

- Each person whose signature appears on the Bid has been authorised by the Bidder to determine the terms of, and to sign, the Bid on behalf of the Bidder;  
  - Yes
  - No

For the purposes of this Certificate and the accompanying Bid, I understand that the word “competitor” shall include any individual or organisation, other than the Bidder, whether or not affiliated with the Bidder, who:

a) Has been requested to submit a Bid in response to this Bid invitation;

b) Could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and

c) Provides the same goods and services as the Bidder and/or is in the same line of business as the Bidder

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

In particular, without limiting the generality of paragraphs above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

5 Prices;
6 Geographical area where product or service will be rendered (market allocation);
7 Methods, factors or formulas used to calculate prices;
8 The intention or decision to submit or not to submit, a Bid;
9 The submission of a Bid which does not meet the specifications and conditions of the Bid; or
10 Bidding with the intention not to win the Bid.

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

The terms of this 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.

I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to Bids and contracts, Bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of Section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation

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

11 STANDARD BIDDING DOCUMENTS DECLARATION

The following documents are deemed to form and be read and construed as part of this agreement even where integrated in this document:

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<td>Preference claims for Broad Based Black Economic Empowerment Status Level of Contr-</td>
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The obligation to complete, duly sign and submit these declarations included in this SBD declaration pack cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the legal entity.

I declare that I have had no participation in any collusive practices with any Bidder or any other person regarding this or any other procurement.

I certify that the information furnished in these declarations (Tax compliance status, SBD4, SBD5 where applicable, SBD6.1, SBD 6.2 where applicable, SBD8, SBD9) is correct and I accept that the NRF may reject the Offer or act against me should these declarations prove to be false.

I confirm that I am duly authorised to sign this SBD declaration pack by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive or Senior Member/Person with management responsibility (Close Corporation, Partnership or Individual)

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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.
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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
25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

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

29. Governing language

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

30. Applicable law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)