BID

APPOINTMENT OF A PANEL OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE FINANCIAL ACCOUNTING AND RELATED SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS

Issued by:

Mpumalanga Economic Growth Agency (MEGA)
02 Eastern Boulevard
Riverside,
Mbombela,
1200

MEGA / 2027 / 13

CLOSING DATE: 11 DECEMBER 2026 AT 12:00PM

NAME OF A BIDDER: _____

TOTAL PRICE (all inclusive): _____

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

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE BELOW MENTIONED TENDER OF MPUMALANGA ECONOMIC GROWTH AGENCY					
BID NUMBER:	MEGA / 2027 / 13	CLOSING DATE:	**11 DECEMBER 2026**	CLOSING TIME:	**12H00**
DESCRIPTION	**BID FOR THE APPOINTMENT OF A PANEL OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE FINANCIAL ACCOUNTING RELATED SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS.**				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*					
MBOMBELA, MEGA Office Park, 02 Eastern Boulevard, 1st floor, Supply chain management unit					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Mr. S Lekhuleni**	CONTACT PERSON	**Ms. A Bezuidenhout**
TELEPHONE NUMBER	013 492 5818	TELEPHONE NUMBER	013 492 5818
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	sibusiso.lekhuleni@mega.gov.za	E-MAIL ADDRESS	anri.bezuidenhout@mega.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

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	*ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS/SERVICES OFFERED?*	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA	☐ YES NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION	☐ YES ☐ 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, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**
2.	**TAX COMPLIANCE REQUIREMENTS**
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

……

CAPACITY UNDER WHICH THIS BID IS SIGNED:

……

(Proof of authority must be submitted e.g. company resolution)

DATE: ……

TERMS OF REFERENCE:

BID FOR THE APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE FINANCIAL ACCOUNTING AND RELATED SERVICES FOR A PERIOD OF THIRTY-SIX (36) MONTHS

1. INTRODUCTION

The Mpumalanga Economic Growth Agency, hereinafter referred to as **"MEGA"** is a schedule 3D entity of the Mpumalanga Provincial Government with a mandate of stimulating economic growth in the Province through inter alia:-

(i) the provision of funding to SMMEs, Co-operatives and Agricultural enterprises, as well as the provision of housing loans to citizens of Mpumalanga within the gap market;

(ii) proactively identifying investment opportunities within the Province, attracting investment into such opportunities through various trade and investment promotion initiatives, as well as facilitating that such investments into the province derive maximum development impact;

(iii) delivering massive infrastructure within the Province;

(iv) the development and management of property in the form of industrial parks which stimulate economic activity in the Province.

(v) In exercising its powers and functions as articulated in the Act, ["the MEGA Act 1 of 2010"], the entity must continually broaden the participation of Mpumalanga citizens in all the sectors of the economy and accordingly contribute, whether directly or indirectly, to the alleviation of poverty, unemployment and inequality.

2. PURPOSE

The Mpumalanga Economic Growth Agency intends to appoint a panel of service providers to provide specialised financial, valuation, credit control and actuarial services to the Finance Division on an as-and-when-required basis for a period of thirty-six (36) months.

3. BACKGROUND

The Mpumalanga Economic Growth Agency (MEGA) is responsible for maintaining sound financial management, effective revenue management, asset management, financial reporting, and compliance with applicable legislative and regulatory requirements.

To support these functions, MEGA requires access to specialised expertise in the areas of financial reporting and audit readiness, asset valuations, credit control and debt recovery, and actuarial valuations. These services are required periodically and on an as-and-when-required basis to support the Finance Division in fulfilling its operational, compliance, reporting and governance obligations.

MEGA therefore intends to establish a panel of suitably qualified professional service providers to provide specialist services when required.

4. SCOPE OF WORK

TECHNICAL ACCOUNTING, IFRS COMPLIANCE AND AUDIT READINESS

The objectives of the panel are to:

- Provide access to specialised professional expertise required by the Finance Division.
- Strengthen compliance with applicable accounting standards, legislation and regulatory requirements.
- Improve the quality and reliability of financial reporting.
- Enhance audit readiness and support improved audit outcomes.
- Support the valuation and management of assets for financial reporting and decision-making purposes.
- Improve debt collection performance and revenue management.
- Ensure the accurate measurement and disclosure of employee benefit obligations.
- Facilitate efficient procurement of specialist services through a pre-approved panel arrangement.

4.1. Technical Accounting and Financial Reporting Support

The appointed service provider shall provide specialised technical accounting and financial reporting support to MEGA on an as-and-when-required basis, including:

- Conducting an independent technical review of MEGA's Annual Financial Statements (AFS), Annual Report and supporting audit files.
- Assessing compliance with applicable International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), the Public Finance Management Act (PFMA), Treasury Regulations and other applicable reporting frameworks.

4.2. Review of Accounting Treatments and Material Balances

The service provider shall:

- Evaluate the appropriateness of accounting treatments and the application of accounting policies.
- Assess the quality, accuracy, completeness and adequacy of financial statement disclosures.
- Review the reasonableness of accounting estimates, management judgements and the adequacy of management's going concern assessment.
- Assess the consistency of financial information presented in the Annual Financial Statements and Annual Report.
- Pay particular attention to high-risk and material balances, including:
    - Property and investment property valuations.
    - Impairments and leases.
    - Employee benefits and financial instruments.
    - Provisions and contingent liabilities.
    - Revenue recognition.
    - Debtor recoverability assessments.
    - Liquidity and solvency assessments.
    - Going concern assessments and related disclosures.
    - Fair value measurements.
- Verify whether sufficient supporting evidence exists to substantiate management's conclusion regarding MEGA's ability to continue as a going concern.
- Assess whether related going concern disclosures are complete, accurate and compliant with applicable IFRS and IAS requirements.

4.3. Compliance, Working Papers and Audit Readiness

The service provider shall:

- Assess whether the Annual Financial Statements comply with the accounting standards and reporting requirements applicable to the relevant reporting period, including newly issued standards where applicable.
- Review the adequacy, completeness and auditability of supporting working papers and audit evidence.
- Identify potential material misstatements, disclosure deficiencies and areas that may result in audit findings.
- Provide practical recommendations to address identified weaknesses before submission of the Annual Financial Statements to the external auditors.

4.4. Review of Previous Audit Findings

The service provider shall:

- Review prior-year audit findings, management report findings and audit action plans.
- Assess whether corrective measures have been adequately implemented.
- Identify risks of recurring audit findings and recommend appropriate remedial actions.
- Recommend improvements to internal financial reporting processes, financial statement quality and audit readiness.

4.5. Technical Accounting Advisory Services

The service provider may be required to provide additional technical accounting and advisory services, including:

- Preparing technical accounting opinions and accounting position papers.
- Preparing review memoranda and providing accounting policy guidance.
- Providing audit support and technical accounting advice on complex or non-routine transactions arising during the financial year.

All panel appointments and assignments shall be subject to the **PFMA, applicable Treasury Regulations and Instructions, MEGA SCM Policy, preferential procurement requirements and other applicable legislation and procurement prescripts, as amended from time to time**.

5. EVALUATION CRITERIA

(i) The evaluation criteria for the assessment of the proposals will be based on both qualitative and financial aspects of the proposal. Service providers will be evaluated on functionality.

(ii) The bidders that score points which meet or exceed the minimum threshold provided on functionality will further be evaluated on price and on specific

goals in terms of the Preferential Procurement Policy Framework, Act 5 of 2000 and Regulations of 2022.

- All bidders who score less than 70 out of 100 points for functionality will not be considered further.
- Evaluation will be conducted in accordance with MEGA Supply Chain Management Policy and Preferential Procurement Regulations of 2022.

THE ADJUDICATION METHOD

The three-stage tender evaluation and awarding process will be used to adjudicate the tender documents that will be submitted by potential bidders. The stages are described as being;

- Stage 1: Responsiveness assessment: Tenders evaluated for responsiveness based on the mandatory requirements stated.
- Stage 2: Functionality assessment
- Stage 3: Financial offer (tender price) evaluation and
  Empowerment adjudication: Evaluation of the bidders scores for the price submitted and scoring of bidders on Preferential Procurement Regulations of 2022 will be recommended for appointment. 80/20 evaluation criteria will be used for this bid.

Appointment of a preferred bidder(s)

Subject to the provisions of MEGA Supply Chain Management Policy and the Preferential Procurement regulations of 2022,

MEGA reserves the right to:

a) Appoint one or more bidder(s) to provide the required service.
b) where applicable, negotiate the final fee or rates with the preferred bidder(s)
c) MEGA reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures,** where relevant.

5.1 COMPULSORY ADMINISTRATIVE REQUIREMENTS

All the submitted proposals will be assessed for compliance with the mandatory requirements listed below:

5.1(A): MANDATORY REQUIREMENTS

(Failure to meet the requirements below, the bidder will be disqualified)

1.	Company /CC/Trust/Partnership registration certificates
2.	Fully completed pricing schedule
3.	Fully completed, signed Standard bidding documents (SBD1; SBD4; SBD6.1)
4.	Letter of authority to sign the bidding documents
5.	Certified copies of Directors' or Shareholders' Identity documents
6.	Proof registration on Central Supplier Database (Detailed report)
7.	Letter of approval by the Executive Authority to do business with the State if the entity has a member(s) who is / are Government employees
8.	Bidders who submit information that is fraudulent, factually untrue or inaccurate will be disqualified.

5.1(B): PROFESSIONAL MANDATORY REQUIREMENTS

DESCRIPTION
Membership with Professional Associations The bidder must be a legally registered entity in South Africa and be registered with, and in good standing with, the South African Institute of Chartered Accountants (SAICA), where applicable. The proposed Engagement Partner must hold the Chartered Accountant designation (CA(SA)) and be registered with, and in good standing with, SAICA. Valid company registration documents and proof of professional registration and good standing must be provided.

Technical Accounting and Financial Reporting Experience

The bidder must demonstrate a minimum of five (5) years' relevant experience in technical accounting advisory, IFRS compliance reviews, financial reporting, Annual Financial Statement reviews and audit readiness assessments.

Supporting documentation demonstrating relevant experience must be provided.

Annual Financial Statements Review

The bidder must demonstrate experience in the preparation, review and quality assurance of Annual Financial Statements prepared in accordance with applicable IFRS Accounting Standards and International Accounting Standards (IAS).

Knowledge of Applicable Legislation and Reporting Frameworks

The bidder must demonstrate practical knowledge and experience in applying IFRS Accounting Standards, IAS, the Public Finance Management Act (PFMA), Treasury Regulations and other applicable reporting frameworks.

Technical Accounting Advisory Services

The bidder must demonstrate experience in conducting technical accounting reviews, preparing accounting position papers, assessing financial statement disclosures, evaluating accounting treatments and providing advice on complex or non-routine transactions.

High-Risk and Material Accounting Areas

The bidder must demonstrate experience in reviewing high-risk and material accounting areas, including fair value measurements, impairments, investment properties, financial instruments, leases, employee benefits, revenue recognition, provisions, contingent liabilities and going concern assessments.

Public Sector and Regulated Entity Experience

The bidder must demonstrate experience in providing technical accounting and financial reporting services to public entities, development finance institutions or similarly regulated organisations, including external audit support and assistance with resolving audit findings.

Professional Qualifications and Designations of Proposed Personnel

Where equivalent professional qualifications are proposed for other personnel, proof of membership with a recognised professional accounting body, such as the South African Institute of Professional Accountants (SAIPA) or the Association of Chartered Certified Accountants (ACCA), must be provided, where applicable.

Other equivalent professional bodies include:

- South African Institute of Public Accountants (SAIPA)
- Association of Charted Certified Accountants (ACCA)
- Institute of Administration and Commerce of South Africa (IAC)
- The Chartered Association of Certified Accountants (CACA)
- The Institute of Commercial and Financial Accountants of South Africa ((CFA)(SA))
- The South African Institute for Business Accountants (SAIBA)
- Independent Regulatory Body of Auditors (IRBA)
- Actuarial Society of South Africa (ASSA)

5.2 FUNCTIONALITY EVALUATION

a) Responsive bids will first be evaluated on functionality and bidders who score **70 points or more of the 100 points** will be evaluated further on price and Specific Goals.

b) Bidders who score less than the **minimum threshold of 70 points** will automatically be disqualified.

The evaluation in respect of each of the criteria are as follows:

DESCRIPTION OF CRITERIA	METHOD OF EVALUATION	POINTS ALLOCATION
1. Company Experience Bidders must demonstrate relevant and verifiable experience in technical accounting advisory, IFRS compliance reviews, Annual Financial Statement reviews and audit readiness assessments. Within the public sector and/or to State-Owned Entities (SOEs). **Attach both Appointment letter(s) and reference letters/letters of Completion.** **Letters must be aligned to the client portfolio, and must indicate the following:** 1. Client's company letterhead; 2. Client's contact details; 3. Description and timing/duration of work performed; and 4. Client signature.	Relevant, evidenced assignments (maximum 25 points): No qualifying assignment: 0 points 1 assignment: 5 points 2–3 assignments: 10 points 4–5 assignments: 15 points 6–7 assignments: 20 points 8 or more assignments: 25 points Count each distinct assignment once. An assignment earns credit only where both the appointment letter and reference/ completion letter meet the evidence requirements in the criterion.	**25**
2. Managerial Experience of Proposed Key Personnel Service Providers must demonstrate that they possess relevant competencies to successfully provide the required services. **Attach a concise CV for the Engagement Director / Partner** **NB: Engagement Partner =** The Senior Director / Senior Manager responsible to oversee and sign-off on the overall technical accounting, IFRS compliance, financial reporting and audit readiness work performed.	Completed years of relevant experience (*maximum 25 points*): Fewer than 3 years: 0 points 3–5 years: 5 points 6–8 years: 12 points 9–11 years: 20 points 12–14 years: 25 points 15 or more years: 30 points Assess relevant experience from the proposed Engagement Partner's CV. Count completed years only; do not round up partial years.	**30**

3. Academic and Professional Qualifications of Key Personnel Service Providers must demonstrate that they possess the relevant qualifications to execute required services Attach certified copies of relevant academic and professional qualifications. **NB: Include Organogram to claim points** **Engagement Partner =** The senior professional responsible for overall engagement oversight, strategic direction, quality assurance and final sign-off of deliverables submitted to MEGA. **Manager:** The professional responsible for day-to-day management and execution of the assignment, including coordinating the team, reviewing working papers, monitoring progress and preparing deliverables for the Engagement Partner's review.	• No relevant qualification evidenced: 0 points • Relevant diploma: 5 points • Relevant bachelor's degree: 8 points • Relevant postgraduate diploma or honours degree: 10 points • Relevant master's degree or higher: 15 points Score the Engagement Partner and Manager separately, using the highest relevant qualification evidenced for each. Add the two role scores. A qualification may be counted for only one level per role.	**30**
4. <u>Methodology, Approach, Quality Assurance and Organisational Capacity</u> The bidders must submit a methodology covering valuation planning, demographic and financial assumptions, actuarial modelling, liability calculations, sensitivity analyses, financial and performance reporting, IAS 19 compliance, supporting disclosure schedules and audit support. Include an organogram and resource allocation plan.	**Methodologies and Capabilities** will be evaluated as follows: ▪ No methodology and approach - 0 ▪ Limited methodology addressing some key requirements, with significant gaps – (5) ▪ Adequate methodology addressing most requirements, including actuarial valuations and reporting – (10) ▪ Comprehensive methodology covering assumptions, modelling, quality assurance, reporting, disclosures, audit support and suitably allocated resources (15)	**15**
Total		**100**
Minimum score for functionality		**70**

Evidence to support Functionality points allocation

- Relevant reference letters aligned to the service category/categories tendered for.
- Concise CVs for proposed key personnel.
- Certified copies of relevant qualifications, as required by the bid.
- Proof of relevant professional certifications/memberships, as required by the bid
- A methodology and approach covering the service categories tendered for.
- An organisational structure (Organogram) and resource plan demonstrating capacity to execute assignments.

5.3 PRICE AND SPECIFIC GOALS

The **80/20 preference point system** shall be applied for the purpose of this bid, as per the requirements of the *Preferential Procurement regulations, 2022*

Criteria	Points
Points on Price	80
Specified Goals	20
TOTAL	**100**

The 80/20 preference point system for acquisition of services, works or goods up to the Rand value of R50 Million (VAT inclusive):

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

Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmin = Price of the lowest acceptable tender

A maximum of 20 points can be awarded to a tenderer for the specific goals specified for the tender.
The points scored for the specific goals will be added to the points scored for price.

5.3.1 POINTS AWARDED FOR SPECIFIC GOAL(S)

IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

Bidders must submit **relevant evidentiary documentation**, as specified in the tender, to support each claim.

Complete below and Refer to attached: SBD 6.1 – Preference Points (Specific Goals)
(Specify your claim on HDI,youth, women, disability and SMME's goals)

	POINTS
PRICE	80
SPECIFIC GOALS	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME	4
Total points for Price and SPECIFIC GOALS	**100**

5.3.2 PRICING SCHEDULE

Bidders must include a detailed pricing schedule demonstrating all items considered/included in the price, rates per unit and total costs, as well as value-added tax where applicable.

1: TECHNICAL ACCOUNTING, IFRS COMPLIANCE AND AUDIT READINESS SERVICES

PERSONNEL CATEGORY	UNIT	HOURLY RATE	DAILY RATE (8 Hours)
Engagement Partner / Director (CA(SA))	Hour and Day	R	R
Engagement Manager	Hour and Day	R	R
Senior Technical Accounting Consultant / Specialist	Hour and Day	R	R

2: ASSET VALUATION AND PROPERTY ADVISORY SERVICES

PERSONNEL CATEGORY	UNIT	HOURLY RATE	DAILY RATE (8 Hours)
Engagement Partner / Director (CA(SA))	Hour and Day	R	R
Engagement Manager	Hour and Day	R	R
Senior Property Valuer / Asset Valuation Specialist	Hour and Day	R	R

3: CREDIT CONTROL AND DEBT RECOVERY SERVICES

For evaluation and comparison purposes only, MEGA will use a hypothetical **recovery amount of R1,000,000.00 (One Million Rand).** Bidders must indicate their proposed commission percentage applicable to eligible recoveries and calculate the corresponding commission amount based on this hypothetical figure**.**

The calculated commission amount will be used solely for financial evaluation and comparison of bids. The hypothetical recovery amount does not represent MEGA's actual outstanding debt, a guaranteed recovery value, a minimum volume of work or a commitment to pay the bidder that amount.

Remuneration of the appointed service provider shall be based on the approved commission percentage applied to actual eligible recoveries attributable to the service provider, verified by MEGA and deposited into MEGA's bank account, in accordance with the conditions of the bid document.

PRICING ITEM	UNIT	PROPOSED RATE (%)
Commission on verified recoveries attributable to the service provider	Percentage (%) of eligible recoveries	
Upfront fee / retainer / fixed monthly fee	Not payable unless specifically approved by MEGA	Not applicable unless approved

Note: Commission will be calculated only on eligible recoveries verified by MEGA's Credit Control Unit, subject to the exclusions and conditions in the specification.

4: ACTUARIAL VALUATION AND EMPLOYEE BENEFIT ADVISORY SERVICES

PERSONNEL CATEGORY	UNIT	HOURLY RATE	DAILY RATE (8 Hours)
Engagement Partner / Director (CA(SA))	Hour and Day	R	R
Engagement Manager	Hour and Day	R	R
Lead Actuary (ASSA Fellow or Associate)	Hour and Day	R	R

Subtotal (Excl. VAT): R _____

VAT (if applicable): R _____

Total Amount (Incl. VAT): R _____

NOTE: The pricing submitted in this schedule will be used solely for **evaluation purposes** and shall not constitute a guarantee of any volume of work, expenditure or allocation of assignments to the appointed service providers.

Actual services and related fees will be determined in accordance with the applicable scope of work and the terms and conditions of the contract.

6. CONFIDENTIALITY

This bid and all information in connection therewith shall be held in strict confidence by interested parties and usage of such information shall be limited to preparation of the bid.

7. ENQUIRIES

Enquiries related to this bid may be addressed via email on or befor e**04 DECEMBER 2026.**

All supply Chain Management enquiries must be directed to:

Supply Chain Management Unit:

Mr. Sibusiso Lekhuleni

TEL: +27 13 492 5818

EMAIL: scm@mega.gov.za

All Technical or Project related enquiries must be directed to:

Financial Accounting Unit:

Ms. Anri Bezuidenhout

TEL: +27 13 492 5818

EMAIL: anri.bezuidenhout@mega.gov.za

8. CLOSING DATE AND TIME

Time: 12h00 pm South African Time (GMT +2.00)

Date: 11 DECEMBER 2026

9. METHOD AND PLACE OF SUBMISSION

All the Bid documents together with the supporting documents must be submitted on sealed envelope, marked with the Name of bidder, Bid number, Bid description and closing date and be deposited in the tender box as per closing date and time per bid above. The address is as follows:

MEGA Head Office

02 Eastern Boulevard, Riverside

Mbombela

1200

All bidders are requested to submit the documents in two [2] formats, namely, one [1] original and [1] Copy on USB

BID VALIDITY PERIOD

Bids submitted shall remain valid for a period of **ninety (90) days** from the closing date of the bid.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

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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.

Full Name	**Identity Number**	**Name of State institution**

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

2.2.1 If so, furnish particulars:
……
……

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

2.3.1 If so, furnish particulars:
……
……

3 DECLARATION

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

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

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

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

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

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

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

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS

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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.

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 2022

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

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 **To be completed by the organ of state**

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	
Enterprise owned by Black people	4
Enterprise owned by Women	4
Enterprise owned by Youth	4
Enterprise owned by Disabled	4
Enterprise owned by SMME's-QSE and EME	4
Total points for Price and SPECIFIC GOALS	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 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**

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right) \text{ or } \quad Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. **FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

3.2.1. **POINTS AWARDED FOR PRICE**

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

80/20 **or** **90/10**

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right) \text{ or } \quad Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*)**

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise owned by Black people	N/A	4	N/A	
Enterprise owned by Women	N/A	4	N/A	
Enterprise owned by Youth	N/A	4	N/A	
Enterprise owned by Disabled	N/A	4	N/A	
Enterprise owned by SMME's-QSE and EME	N/A	4	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm…….

4.4. Company registration number: ……...

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

…….
SIGNATURE(S) OF TENDERER(S)
SURNAME AND NAME: …….
DATE: ……
ADDRESS: ……
……
……
……

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.