



Reg Name: Postbank (SOC) Ltd  
Registration number: 2017/177755/30  
NPC Building, Jeff Masemola Street, Pretoria, 0002: PO Box 10 000, Pretoria, 0001

### REQUEST FOR BIDS/PROPOSALS

|                                 |                                                                                                                                                                        |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>RFB/P REF. NO:</b>           | <b>RFP 03/06/24-25</b>                                                                                                                                                 |
| <b>DESCRIPTION</b>              | <b>Appointment of a service provider to provide Unstructured Supplementary Service Data (USSD) capability, support and maintenance for a period of three (3) years</b> |
| <b>RFB/P ISSUING DATE</b>       | 22 August 2025                                                                                                                                                         |
| <b>RFB/P CLOSING DETAILS</b>    | Date: 15 September 2025<br>Time: 11:00am (South African Time)                                                                                                          |
| <b>RFB/P SUBMISSION ADDRESS</b> | <u><a href="mailto:RFP@PostBank.co.za">RFP@PostBank.co.za</a></u>                                                                                                      |
| <b>RFB/P VALIDITY PERIOD</b>    | <b>180 Days</b> from the Closing Date                                                                                                                                  |
| <b>ENQUIRIES</b>                | Nokulunga Moloi: <u><a href="mailto:Nokulunga.Moloi@postbank.co.za">Nokulunga.Moloi@postbank.co.za</a></u>                                                             |

**PART A  
INVITATION TO BID  
SBD1**

|                                                                                                                                                                                                                            |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------------|
| <b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>                                                                                                                           |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| BID NUMBER:                                                                                                                                                                                                                | RFP 03/06/24-25                                                                                                                                                 | CLOSING DATE: | 15 SEPTEMBER 2025                                                  | CLOSING TIME:                 | 11:00AM                                                                                              |
| DESCRIPTION                                                                                                                                                                                                                | Appointment of a service provider to provide Unstructured Supplementary Service Data (USSD) capability, support and maintenance for a period of three (3) years |               |                                                                    |                               |                                                                                                      |
| <b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>                                                                                                                                 |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| SUBMISSION IS TO BE SUBMITTED TO THE EMAIL ADDRESS STIPULATED ON THE COVER PAGE                                                                                                                                            |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>                                                                                                                                                                     |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| CONTACT PERSON                                                                                                                                                                                                             | NOKULUNGA MOLOI                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| E-MAIL ADDRESS                                                                                                                                                                                                             | NOKULUNGA.MOLOI@POSTBANK.CO.ZA                                                                                                                                  |               |                                                                    |                               |                                                                                                      |
| <b>SUPPLIER INFORMATION</b>                                                                                                                                                                                                |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| 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                                                                                                 |
| 1ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?                                                                                                                                    | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF]                                                                              |               | 2ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? |                               | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| <b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>                                                                                                                                                                          |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>                                                                |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>                                                                                      |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?<br><input type="checkbox"/> YES <input type="checkbox"/> NO                                                                                                     |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>                                                                          |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>                                                                      |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |
| <b>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.</b> |                                                                                                                                                                 |               |                                                                    |                               |                                                                                                      |

## 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](http://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:

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**SECTION 1**  
**BIDDER'S DETAILS**

**1. Bidding structure**

|                                                                                                                                                                     |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>Indicate the type of bidding structure by marking with an 'X':</b>                                                                                               |  |
| <b>Individual bidder</b>                                                                                                                                            |  |
| <b>Joint Venture</b>                                                                                                                                                |  |
| <b>Consortium</b>                                                                                                                                                   |  |
| <b>Subcontractors</b>                                                                                                                                               |  |
| <b>If the bid is submitted as a Consortium or Joint Venture or Sub Contracting, list the members of such Consortium or Joint Venture and Sub Contractors below:</b> |  |
| 1.                                                                                                                                                                  |  |
| 2.                                                                                                                                                                  |  |
| 3.                                                                                                                                                                  |  |
| 4.                                                                                                                                                                  |  |

**1.2 Entity Directorship**

| No. | Director name | Identity number |
|-----|---------------|-----------------|
| 1.  |               |                 |
| 2.  |               |                 |
| 3.  |               |                 |
| 4.  |               |                 |

**1.3 Entity Ownership**

| Ownership Category                                  | % of Ownership |
|-----------------------------------------------------|----------------|
| Black or Historically Disadvantage Individual Owned |                |

**I certify that the information furnished on this form is true and correct.**

**I further accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.**

\_\_\_\_\_  
**Name of bidder (duly authorised)**

\_\_\_\_\_  
**Signature of bidder**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Capacity under which this bid is signed**

## **SECTION 2**

### **BID TERMS OF REFERENCE**

## **2. General rules and instructions**

### **2.1 Precedence of documents**

- 2.1.1 This RFB/P consists of a number of sections (see list). Where there is a contradiction in terms between the clauses, phrases, words, stipulations or terms and herein referred to generally as stipulations in this RFB/P and the stipulations in any other document attached hereto, or the RFB/P submitted hereto, the relevant stipulations in this RFB/P shall take precedence.
- 2.1.2 Where this RFB/P is silent on any matter, the relevant stipulations addressing such matter and which appear in the PPPFA shall take precedence. Bidders shall refrain from incorporating any additional stipulations in its proposal submitted in terms hereof other than in the form of a clearly marked recommendation that POSTBANK may in its sole discretion elect to import or to ignore. Any such inclusion shall not be used for any purpose of interpretation unless it has been so imported or acknowledged by POSTBANK.
- 2.1.3 It is acknowledged that all stipulations in the PPPFA are not equally applicable to all matters addressed in this RFB/P. It, however, remains the exclusive domain and election of POSTBANK as to which of these stipulations are applicable and to what extent. Bidders are hereby acknowledging that the decision of POSTBANK in this regard is final and binding. The onus to enquire and obtain clarity in this regard rests with the Bidder(s). The Bidder(s) shall take care to restrict its enquiries in this regard to the most reasonable interpretations required to ensure the necessary consensus.

### **2.2 Preferential procurement reform**

- 2.2.1 POSTBANK supports B-BBEE as an essential ingredient of its business. In accordance with government policy, POSTBANK insists that the private sector demonstrates its commitment and track record to B-BBEE in the areas of ownership (shareholding), skills transfer, employment equity and procurement practices (SMME Development) etc.
- 2.2.2 POSTBANK shall apply the principles of the Preferential Procurement Policy Framework Act, (Act No. 5 of 2000) to this proposal read together with the Preferential Regulations, 2022.

## **2.4 Objection to brand specific requirements**

- 2.4.1 Any bidder who has reasons to believe that the RFB/P specification is based on a specific brand must inform POSTBANK within seven (7) days after the publication of the RFB/P.

## **2.5 Instructions for submitting bids**

- 2.5.1 Bid responses must be submitted to the email address as stipulated on the cover page

## **SECTION 3**

### **3. Special Conditions of the Bid**

- 3.1 POSTBANK shall not make upfront payment.
- 3.2 The preparation of response shall be made without obligation to acquire any of the items included in any bidder's proposal or to select any proposal.
- 3.3 POSTBANK may request written clarification regarding any aspect of this proposal. The bidders must supply the requested information in writing within the specified time frames after the request has been made, otherwise the proposal shall be disqualified.
- 3.4 POSTBANK reserves the right to; cancel or reject any proposal and not to award the proposal to the lowest bidder or award parts of the proposal to different bidders, or not to award the proposal at all.
- 3.5 By submitting a proposal in response to this RFB/P, the bidders accept the evaluation criteria as it stands.
- 3.6 Where applicable, POSTBANK reserves the right to conduct benchmarks on product/services offered during and after the evaluation.
- 3.7 Failure or neglect by either party to (at any time) enforce any of the provisions of this proposal shall not, in any manner, be construed to be a waiver of any of that party's right in that regard and in terms of this proposal. Such failure or neglect shall not, in any manner, affect the continued, unaltered validity of this proposal, or prejudice the right of that party to institute subsequent action.
- 3.8 Should the bidder change any wording or phrase in this document, the RFB/P shall be evaluated as though no change has been effected and the original wording or phrasing shall be used.
- 3.9 This RFB/P is subject to Government Procurement: General Contract Conditions – July 2011, Special Contract Conditions and any other contract conditions to be finalised during contracting.
- 3.10 Late bids shall not be accepted.

## **4. SPECIFICATION**

### **4.1 BACKGROUND**

Postbank has been gazetted as a State-Owned Company (SOC) with objectives of obtaining a banking license and being able to provide fully-fledged banking products for its customers.

The bank has embarked on several projects as part of its corporatization journey. The portfolio of projects cut-across the Bank and have been increasing with each financial year, as the bank grows its product lines, capacities, and diversify its revenue streams.

Postbank is a South African state-owned bank mainly responsible for offering banking products and services to South African citizens. Postbank draws its mandate from the South African Postbank Limited Amendment Act 44 of 2013, which is primarily that of financial inclusion and in particular the provision of accessible and affordable financial services to underserved and unbanked citizens.

Postbank is looking to partner with an experienced technology provider to develop and implement a robust, secure, and scalable set of USSD (Unstructured Supplementary Service Data) banking solutions. This solution set will serve as a key enabler for providing essential banking services to our customers who may not have stable access to the internet, smartphones, or other advanced mobile technologies.

### **4.2 OBJECTIVE OF THE BID**

The objective of this bid is to appoint a service provider who will:

- Design, Develop, and implement a user-friendly USSD service channel.
- Integrate USSD with core business systems (e.g., ERP, Core Banking, CRM, Call Centre Systems).
- Ensure real-time, high-availability access for end-users.
- Implement the solution on Postbank's selected infrastructure platform (e.g., AWS).
- Manage and support the USSD application.
- Provide reporting and analytics on usage and performance

### **4.3 BENEFIT OF THE BID TO THE BANK**

The solution will enable Cellphone Transactional Banking through USSD as a secure and simple mechanism to perform banking transactions via their cellphones, anytime, anywhere, without having to download software applications.

The solution will reduce traffic to our physical channels as some of the transactions will be performed by the clients at their own convenience.

#### **4.4 SCOPE OF WORK**

The scope of this project will involve implementation of the USSD suite of capabilities, and its support and maintenance. The selected vendor will be responsible for:

##### **Project Management**

- Allocate a project manager to work alongside the Postbank project team to co-develop the detailed scope of work, project plan and service roadmap.
- This roadmap must be signed off by Postbank executives prior to development commencing.
- The project must be delivered using agile methodologies and services must be delivered in defined sprints over the agreed contract period.

##### **Implementation**

- Design and develop a USSD application that meets Postbank's brand and functional requirements (including customer journey maps).
- Integration with Postbank's core banking system and other relevant systems and middleware.
- Set up and configure a secure USSD gateway environment.
- Ensure the menu supports multi-session and multi-menu capability.
- Provide a development and testing sandbox environment.

##### **Hosting**

- Manage application on Postbank's Hosted Environment.
- Ensure 99.5% uptime SLA, data security, daily backups and disaster recovery capability.
- Maintain compliance with POPIA, PCI-DSS and other applicable legislation.

- Provide monitoring and support (24/7) for both infrastructure and application layers.

### Enhancement and Support

- Provide an agile framework for ongoing enhancements and feature releases.
- Enable service personalization and menu updates without platform downtime.
- Ensure backward compatibility for enhancements.
- Provide capacity for ongoing integrations with third-party services and internal APIs.
- Training and Knowledge transfer during the contract period.
- Data and IP handover to the bank at the end of the contract term.

The service provider must deliver a fully integrated USSD Solution which will have to meet the following functional and technical requirements:

#### 4.4.1 FUNCTIONAL REQUIREMENTS SPECIFICATION

| No | Category                   | Requirement                                                                                                                                          |
|----|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Customer Authentication    | Customer must be able to register and create a pin                                                                                                   |
| 2  | KYC and Profile Management | Facilitates access to account details and periodic KYC updates (e.g., identity or address confirmation)                                              |
| 3  | Profile Management         | Allows users to manage preferences such as language selection, PIN management, and contact details                                                   |
| 4  | Account Opening            | Allows new or existing customer to initiate an account opening process, including handoffs to other channels creating a seamless customer experience |
| 5  | Service Request            | To customer facing teams including call centre e.g. call backs, fraud, card queries                                                                  |
| 6  | Check Balance              | Retrieves and displays user's balance from core system                                                                                               |
| 7  | Pay or Transfer funds      | Enables user to transfer funds to another user or account                                                                                            |

|    |                                               |                                                                                                                                                                                                                                                                                       |
|----|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8  | <b>Send Money</b>                             | Allows users to send money to other recipients, including non-Postbank users (e.g., via voucher or mobile number)                                                                                                                                                                     |
| 9  | <b>Buy</b>                                    | Provides functionality to purchase prepaid airtime and electricity, and vouchers etc. directly from user accounts.                                                                                                                                                                    |
| 10 | <b>Card PIN Reset</b>                         | Allow customers to securely reset or update their card PIN using a verified authentication process.                                                                                                                                                                                   |
| 11 | <b>Non-Financial transaction capabilities</b> | Order new card, request card be blocked, request address change, request person info update.                                                                                                                                                                                          |
| 12 | <b>Communication capabilities</b>             | <ul style="list-style-type: none"> <li>• Request call back, request mini statement utilizing SMS, Email and WhatsApp where required to deliver information in convenient way.</li> <li>• Enablement of marketing campaigns and surveys.</li> <li>• Personalised messaging.</li> </ul> |
| 13 | <b>Integration capabilities</b>               | Integration to payment platforms, core banking system, call centre (IVR, customer care, live agent)) and 3rd party platforms.                                                                                                                                                         |
| 14 | <b>Electronic wallet</b>                      | Receipt of funds into an electronic wallet using our cash in and cash out capabilities via other channels.                                                                                                                                                                            |
| 15 | <b>Mini Statement</b>                         | Display a simple mini statement or use communication capabilities (SMS, WhatsApp or Email) to send a more comprehensive statement to customer on request.                                                                                                                             |
| 16 | <b>Reporting and Analytics</b>                | Daily/monthly usage stats, drop off rates and trends. Unified reporting across channels utilized for service types. Provide any other business intelligence & reporting needs identified by Postbank from time to time.                                                               |
| 17 | <b>Menu Management</b>                        | Provide admin console to manage USSD menus and flows.                                                                                                                                                                                                                                 |

|           |                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>18</b> | <b>Omnichannel Extensibility</b> | <p>The USSD platform shall be designed for extensibility into additional digital channels, including but not limited to:</p> <ul style="list-style-type: none"> <li>• WhatsApp Banking</li> <li>• Chatbot integrations</li> <li>• Mobile app and web convergence</li> <li>• Multilingual Natural Language Processing (NLP) capabilities</li> </ul> <p>The solution must ensure unified reporting and analytics across USSD, WhatsApp, mobile, and web to enable a single customer view.</p> |
|-----------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### 4.4.2 Technical Requirements

|          | <b>Category</b>                                                                | <b>Requirement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b> | <b>API and Integration Capabilities (Integration via Postbank API Gateway)</b> | <ul style="list-style-type: none"> <li>• Integration to payment platforms, payment switch and host, core banking system, identity verification systems (e.g. Home Affairs DB if required), SMS Gateway and 3rd party platforms</li> <li>• RESTful APIs with full documentation.</li> <li>• Zero-Rated USSD Access or Reverse Billing Integration.</li> <li>• All integrations shall be routed through Postbank's API Gateway/Enterprise Service Bus (ESB) to ensure centralised monitoring and security enforcement.</li> <li>• The solution must support Open Banking standards and Bankserv-ready APIs for future interoperability.</li> </ul> |

|          |                                         |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2</b> | <b>Security Standards</b>               | <ul style="list-style-type: none"> <li>• PIN-based authentication before accessing sensitive features.</li> <li>• Session timeouts to prevent unauthorised access.</li> <li>• Encrypted communication with backend systems.</li> <li>• PIN must be hashed and not stored in plain text.</li> </ul>                                                                                                                     |
| <b>3</b> | <b>Performance Requirements</b>         | <ul style="list-style-type: none"> <li>• Processing response time: <math>\leq 2</math> seconds.</li> <li>• System uptime: 99.95%.</li> <li>• MNO failover support (if multiple networks are used).</li> </ul>                                                                                                                                                                                                          |
| <b>4</b> | <b>Deployment and Hosting</b>           | <ul style="list-style-type: none"> <li>• Cloud-native, scalable architecture.</li> <li>• Tier 3 or higher data centre certification if hosted.</li> <li>• Local data residency.</li> <li>• Connect with local Mobile Network Operators. (MNOs) directly (no use of aggregators unless for failovers).</li> <li>• Register and manage the USSD short code. (e.g., *123#) on behalf of the bank, if required.</li> </ul> |
| <b>5</b> | <b>Data Protection &amp; Compliance</b> | <ul style="list-style-type: none"> <li>• Full POPIA compliance.</li> <li>• Audit logs must be retained securely for a minimum of 5 years.</li> </ul>                                                                                                                                                                                                                                                                   |
| <b>6</b> | <b>Integration to RICA</b>              | <ul style="list-style-type: none"> <li>• Direct Link to MNO RICA databases, no third-party integration (by no 3rd party integration, it is meant, no use of any other party not part of RICA's direct dependent service provider, e.g., SITA).</li> </ul>                                                                                                                                                              |
| <b>7</b> | <b>Volumes and scale</b>                | <ul style="list-style-type: none"> <li>• Scalable to support our increased volumes of customers and services on the channel</li> <li>• Can handle load and volumes of simultaneous transactions</li> <li>• Rate limiting to limit network activity e.g. prevent malicious bot attacks</li> </ul>                                                                                                                       |

|           |                            |                                                                                                                                                                                                                                                                                                                 |
|-----------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>8</b>  | <b>Technical support</b>   | <ul style="list-style-type: none"> <li>• 24/7 technical support and escalation matrix.</li> <li>• Dedicated account and technical manager.</li> <li>• Daily, weekly and monthly service reports: uptime, transaction volume, failure rate.</li> <li>• Incident response time (critical): &lt; 1 hour</li> </ul> |
| <b>9</b>  | <b>Data storage</b>        | <ul style="list-style-type: none"> <li>• Stores all data centrally on the secured server and no data cached or stored on the device used for data capturing either through self-service or assisted channel.</li> </ul>                                                                                         |
| <b>10</b> | <b>Data Transmission</b>   | <ul style="list-style-type: none"> <li>• Secure data transmission (SSL, etc).</li> </ul>                                                                                                                                                                                                                        |
| <b>11</b> | <b>Session Handling</b>    | <ul style="list-style-type: none"> <li>• Sessions are stateless from the USSD Gateway but must be stateful at the application level.</li> <li>• Session ID passed from the gateway must be retained until session end.</li> <li>• Efficient handling of long sessions and disconnections.</li> </ul>            |
| <b>12</b> | <b>Unique transactions</b> | <ul style="list-style-type: none"> <li>• Can detect duplicate transaction record submission and prevent duplication to enable 1 transactional record per customer.</li> </ul>                                                                                                                                   |
| <b>13</b> | <b>Timestamp</b>           | <ul style="list-style-type: none"> <li>• Records time stamp of each transaction.</li> </ul>                                                                                                                                                                                                                     |
| <b>14</b> | <b>Relational database</b> | <ul style="list-style-type: none"> <li>• Data accessible by other external systems through relational database access.</li> </ul>                                                                                                                                                                               |

|    |                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 15 | <b>Redundancy/ High Availability</b>                                   | <ul style="list-style-type: none"> <li>• Vendor should be equipped to deal with external dependency failures (like Network Failure) without interrupting the end-user experience or violating compliance requirements.</li> <li>• Provide offline fallback if customer does not have airtime.</li> <li>• High availability and load balancing.</li> </ul> <p>Considering disaster recovery &amp; high availability standards, the platform shall meet the following minimum thresholds:</p> <ul style="list-style-type: none"> <li>• Recovery Time Objective (RTO): ≤ 2 hours</li> <li>• Recovery Point Objective (RPO): ≤ 15 minutes</li> <li>• Geo-redundancy: Service to be hosted across at least two Tier-3 data centres within South Africa.</li> <li>• The service provider shall conduct annual disaster recovery (DR) tests with full participation from Postbank and provide audit results.</li> </ul> |
| 16 | <b>Enhanced Data Residency, Security, Data Privacy &amp; Ownership</b> | <p>In addition to POPIA and PCI-DSS compliance, the solution shall:</p> <ul style="list-style-type: none"> <li>• Customer data remains the property of Postbank.</li> <li>• Ensure that all customer data is hosted exclusively within the Republic of South Africa.</li> <li>• Be subject to annual data residency audits conducted or commissioned by Postbank.</li> <li>• Use end-to-end encryption for data in transit and at rest.</li> <li>• Implement secure deletion protocols and forensic logging, with retention aligned to SARB requirements (minimum 7 years).</li> </ul>                                                                                                                                                                                                                                                                                                                           |

|           |                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>17</b> | <b>Accreditation</b>                                 | <ul style="list-style-type: none"> <li>• A valid certification or an official letter from the Original Equipment Manufacturer (OEM) is required. This letter must either: <ul style="list-style-type: none"> <li>○ Confirm that the supplier is an accredited or authorized reseller of the specified solution, or</li> <li>○ Clearly state that the supplier is the OEM themselves.</li> </ul> </li> <li>• Other industry specific certifications and accreditations.</li> </ul> |
| <b>18</b> | <b>Multilingual menu capability</b>                  | <ul style="list-style-type: none"> <li>• Ability to implement all 11-official languages of South Africa.</li> </ul>                                                                                                                                                                                                                                                                                                                                                               |
| <b>19</b> | <b>Vendor-Agnostic Design and Source Code Escrow</b> | <p>The solution must:</p> <ul style="list-style-type: none"> <li>• Be vendor-agnostic, avoiding proprietary lock-in.</li> <li>• Provide source code escrow arrangements to protect Postbank's operational continuity.</li> <li>• Implement the solution on Postbank's selected infrastructure platform (e.g., AWS)</li> <li>• Be designed for future compatibility with Postbank's cloud-native core banking environment.</li> </ul>                                              |

#### 4.5 Regulatory Requirements

Bidders will be required to comply with the following regulatory requirements for the duration of the contract including a declaration confirming that:

- They have not been blacklisted by any organ of state.
- They are tax compliant and registered on the Central Supplier Database (CSD).
- They commit to ethical business conduct aligned to the PFMA and King IV.
- Postbank reserves the right to conduct background checks on all directors and key personnel.

| ITEM                         | Postbank Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Regulatory compliance</b> | <ul style="list-style-type: none"> <li>• Compliance with all the following regulations/Acts:</li> <li>• Banks Act 94 of 1990 – compliance with banking system controls, as this solution will interface with Postbank’s core banking systems.</li> <li>• Conduct Standard for Banks (FSCA Notice 3 of 2020) – ensuring fair treatment of customers, accessibility, and transparent communication.</li> <li>• Public Finance Management Act (PFMA), 1999 – accountability in procurement and use of public funds.</li> <li>• King IV Report on Corporate Governance – vendor commitment to ethical conduct, transparency, and integrity.</li> <li>• Protection of Personal Information Act, 2013 (PoPIA) – compliance with data privacy, encryption, secure transmission, and storage of customer information: Ensuring all data processing, storage, and access comply with South African data protection laws including encryption in transit and at rest, access control, consent capture, and audit logging. The provider must notify Postbank of any actual or suspected data breach in accordance with Section 22 of PoPIA.</li> <li>• All customer data must be stored within South Africa and aligned with PoPIA cross-border transfer requirements unless otherwise approved in writing by Postbank.</li> </ul> |
| ITEM                         | Postbank Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                              | <ul style="list-style-type: none"> <li>• Financial Intelligence Centre Act, 2001 (FICA) – including controls for customer authentication, KYC verification, and monitoring/reporting of transactions.</li> <li>• Cybercrimes Act: The system has strong cybersecurity controls to prevent unauthorised access, fraud, and data breaches.</li> <li>• Consumer Protection Act (CPA): The contract must clarify Postbank’s liability in case of customer disputes related to identity verification.</li> <li>• PCI-DSS compliance.</li> <li>• ICASA USSD gateway requirements.</li> <li>• The service provider will be subject to ongoing compliance monitoring, audits, and periodic performance reviews by Postbank’s governance structures during the contract term</li> <li>• Any applicable Banking Association of SA standards.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

#### **4. Deliverables**

- Detailed scope of work, service roadmap and project plan in month 1 and obtain sign off prior to commencing with design, development and implementation.
- User friendly, functional USSD application according to defined project plan.
- Sandbox environment for both internal and customer prototype testing.
- Technical documentation and knowledge transfer.
- User manuals and training for Postbank teams.
- Support SLA and enhancement roadmap.

#### **5. Governance and Performance Management:**

The service provider shall:

- Participate in quarterly SLA reviews chaired by Postbank.
- Provide reports on:
  - Uptime
  - Transaction success rates
  - Incident response times
  - Customer adoption metrics
- Provide access to the data so we may conduct our own monitoring and produce our own reports where necessary.
- Agree to penalty clauses for SLA breaches, with service credits applied for non- compliance.

#### **6. Special Conditions**

- The bidder must ensure that the level of expertise of the project team is maintained throughout the project.
- Postbank must be consulted when there is a change in project team members and will provide final approval of replacement resources.
- Postbank will not pay upfront for any services.

#### **7. Contract Period**

The services are expected to be rendered in line with the contract period of three (3) years. Postbank will own all built services and USSD strings used for banking or other requirements. The vendor will need to hand over full control to the bank at any stage during the contract term.

## 8. Evaluation Process

The bid will be evaluated as follows:

**Phase 1: Functionality Evaluation Criteria:** Bidder(s) are required to achieve a minimum of 70 points out of 100 points to proceed to Phase 2 (Due Diligence Evaluation)

**Phase 2: Due Diligence Evaluation:** Bidder(s) who have achieved a minimum of 85 points out of 100 points will be evaluated further on Phase 3 (Commercial)

**Phase 3: Commercial:** Price and Specific Goals.

### 8.1 Functionality Evaluation Criteria

| Functional Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Weights                   | Reference page in response |                                                                                                                                                |   |                                                                                                                                                   |    |    |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------|----|----|--|
| <p><b><u>Company Experience</u></b></p> <p>The bidder must have a minimum of five (5) years of financial services experience in designing, building, implementing and supporting USSD capabilities in the financial services sector. Services delivered must include transactional and non-transactional banking services within a secure channel.</p> <p><b>The bidder must provide as proof a company profile indicating experience, covering the following:</b></p> <ul style="list-style-type: none"><li>• Number of years the firm has been in existence.</li><li>• Detailed list of services offered by the company.</li><li>• List of support staff and their roles relevant to the service.</li></ul> <table><tr><th>Experience of the Company</th><th>Score</th></tr><tr><td>Company experience as listed above with &lt;5 years experience implementing, supporting and maintaining USSD capability within financial services</td><td>0</td></tr><tr><td>Company experience as listed above with 5 - 7 years experience implementing, supporting and maintaining USSD capability within financial services</td><td>20</td></tr></table> | Experience of the Company | Score                      | Company experience as listed above with <5 years experience implementing, supporting and maintaining USSD capability within financial services | 0 | Company experience as listed above with 5 - 7 years experience implementing, supporting and maintaining USSD capability within financial services | 20 | 25 |  |
| Experience of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Score                     |                            |                                                                                                                                                |   |                                                                                                                                                   |    |    |  |
| Company experience as listed above with <5 years experience implementing, supporting and maintaining USSD capability within financial services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0                         |                            |                                                                                                                                                |   |                                                                                                                                                   |    |    |  |
| Company experience as listed above with 5 - 7 years experience implementing, supporting and maintaining USSD capability within financial services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 20                        |                            |                                                                                                                                                |   |                                                                                                                                                   |    |    |  |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                               |                               |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------|--|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Company experience as listed above with >7 years' experience implementing, supporting and maintaining USSD capability within financial services                                                                                                                                                                                                               | 25                            |           |  |
| <b><u>Company Track Record</u></b><br><br>The bidder must provide a <b>minimum of three (3) signed reference</b> letters from financial services providers where the service/s were completed successfully. Providing more information will be to the bidder's advantage (Signed Reference letters on client letterheads must be attached).<br><br><b>The reference letters must include the following:</b> <ul style="list-style-type: none"> <li>• Company Name</li> <li>• Company Contact details and address</li> <li>• Contact Person</li> <li>• Description of services rendered</li> <li>• Period/ Duration of the Project</li> </ul> |                                                                                                                                                                                                                                                                                                                                                               |                               | <b>30</b> |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Reference Letters<br><3 Reference letters provided<br>3 ≤ 5 Signed Reference letters with required information where USSD capability was implemented, supported and maintained in the past five (5) years<br>>5 Signed Reference letters with required information where USSD capability was implemented, supported and maintained in the past five (5) years | <b>Score</b><br>0<br>20<br>30 |           |  |
| <b><u>Detailed Technical proposal</u></b><br><br>Bidder must submit a technical proposal inclusive of the following: <ol style="list-style-type: none"> <li>1. Overview of the proposed solution (Mandatory)</li> <li>2. Proposed solution architecture (Mandatory)</li> <li>3. High level architecture diagram (Mandatory)</li> <li>4. Project team structure (Mandatory)</li> <li>5. Development methodology</li> <li>6. Change management and release strategy</li> <li>7. System health monitoring tools</li> <li>8. Incident management process</li> </ol>                                                                              |                                                                                                                                                                                                                                                                                                                                                               |                               | <b>25</b> |  |
| <b>Detailed Technical proposal</b><br><br>Detailed technical proposal that covers < 6 items listed above (including all mandatory items)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                               | <b>Score</b><br><br>0         |           |  |

|                                                                                             |    |  |  |
|---------------------------------------------------------------------------------------------|----|--|--|
| Detailed technical proposal covers 6 < 8 items listed above (including all mandatory items) | 15 |  |  |
| Detailed technical proposal covers all 8 items listed above                                 | 25 |  |  |

| <p><b><u>Project Team Profiles</u></b></p> <p>The bidder must provide detailed profiles of the Project Team clearly indicating employment type (i.e. permanent, fixed term or sub-contractor) that will work on the Postbank Account. The Project Team must have the skills and experience implementing USSD solutions. The bidder must ensure that the level of expertise of the project team is maintained throughout the project.</p> <p>The bidder must provide Project Teams CVs indicating the skills, experience, and their employment type (permanent, fixed-term or subcontractors) in implementing USSD solutions.</p> <table><tr><th>Project Team Profiles</th><th>Score</th></tr><tr><td>No profiles submitted or profiles do not reflect the skills and experience implementing USSD solution.</td><td>0</td></tr><tr><td>All profiles submitted reflect skills and experience requiredprovided but indicate 50% or more use of sub-contractors and fixed-term contractors.</td><td>5</td></tr><tr><td>All profiles provided reflect skills and experience required but indicates less than 50% use of sub-contractors and fixed term contractors.</td><td>10</td></tr><tr><td>Profiles submitted reflect the skills and experience required and all resources are permanently employed</td><td>20</td></tr></table> | Project Team Profiles | Score | No profiles submitted or profiles do not reflect the skills and experience implementing USSD solution. | 0 | All profiles submitted reflect skills and experience requiredprovided but indicate 50% or more use of sub-contractors and fixed-term contractors. | 5 | All profiles provided reflect skills and experience required but indicates less than 50% use of sub-contractors and fixed term contractors. | 10 | Profiles submitted reflect the skills and experience required and all resources are permanently employed | 20 | 20 |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------|--------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------|----|----------------------------------------------------------------------------------------------------------|----|----|--|
| Project Team Profiles                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Score                 |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |
| No profiles submitted or profiles do not reflect the skills and experience implementing USSD solution.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 0                     |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |
| All profiles submitted reflect skills and experience requiredprovided but indicate 50% or more use of sub-contractors and fixed-term contractors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 5                     |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |
| All profiles provided reflect skills and experience required but indicates less than 50% use of sub-contractors and fixed term contractors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 10                    |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |
| Profiles submitted reflect the skills and experience required and all resources are permanently employed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 20                    |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>100 points</b>     |       |                                                                                                        |   |                                                                                                                                                   |   |                                                                                                                                             |    |                                                                                                          |    |    |  |

## 8.2 Due Diligence

Postbank will conduct due diligence with the shortlisted bidders to confirm the validity of the proposed solution. Bidders will be required to prepare a demo and presentation covering the functional and technical specification requirements (as per section 4) including the technical documentation below:

1. Overview of the proposed solution
  2. Proposed solution architecture
  3. High level architecture diagram
  4. Project team structure
  5. Development methodology
  6. Change management and release strategy
  7. System health monitoring tools
  8. Incident management process
- The functional requirements specification part of the presentation should include:
    - A demo of the solution which could be a live application they have in the market or a prototype of how they delivered it previously.
    - A supporting presentation referencing all **18 functional requirements** indicating how and where the bidder delivered the requirement previously
      - Or how they would deliver on the requirement for the project.
    - Example of 'how' is a process flow diagram or user flow chart.
    - Example of 'where' is listing the financial services provider or other organization they have previously implemented the functionality at.
  - The technical requirements specification part of the presentation should include:
    - A supporting presentation referencing all **19 technical requirements** indicating how the bidder already does or intends to meet each requirement.
    - The presentation should cover all **8 technical documents** (Listed above).

Due Diligence will be conducted at the bidders' premises or online to confirm the functionality of the proposed solution. Bidders who score a minimum of 85 points out of 100 will proceed to the last phase of evaluation.

| <b>Due Diligence</b>                                                                 | <b>Score 100 points</b> |
|--------------------------------------------------------------------------------------|-------------------------|
| The presentation and demo satisfy less than 39 of the 45 due diligence requirements. | 0                       |
| The presentation and demo satisfy 39 or more of the 45 due diligence requirements.   | 85                      |
| The presentation and demo satisfy all 45 due diligence requirements.                 | 100                     |

### 8.3 Commercial – Price and Specific goals

| <b>EVALUATION CRITERIA</b>                                                              |                                                                                                                  | <b>POINTS</b>  |
|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------|
| <b>4.4.2.1</b>                                                                          | <b>PRICE</b>                                                                                                     | <b>80 / 90</b> |
| <b>4.4.2.2</b>                                                                          | <b>SPECIFIC GOALS</b>                                                                                            | <b>20 / 10</b> |
|                                                                                         | <ul style="list-style-type: none"> <li>Specific Goals points allocation:</li> </ul>                              |                |
|                                                                                         | <ul style="list-style-type: none"> <li>Historically Disadvantaged Individuals/Company (51% and above)</li> </ul> | 8/5            |
|                                                                                         | <ul style="list-style-type: none"> <li>Women (above 51% and above)</li> </ul>                                    | 7/3            |
|                                                                                         | <ul style="list-style-type: none"> <li>Disability (above 51% and above)</li> </ul>                               | 5/2            |
| <b>NB: it is upon the bidder to provide supporting document for the points claimed.</b> |                                                                                                                  |                |

**SECTION 4**  
**PRICING SCHEDULE/COSTING MODEL**

1. The service provider/supplier is required to provide a full cost breakdown for each item required on an official company letterhead;
2. All prices must be VAT exclusive and must be quoted in South African Rand (ZAR);
3. No price changes will be accepted after an official Purchase Order (PO)/Award Letter is issued.

| Item  | Description                                                           | Year -1<br>Cost<br>(VAT Excl.) | Year -2<br>Cost<br>(VAT Excl.) | Year -3<br>Cost<br>(VAT Excl.) |
|-------|-----------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Costs |                                                                       |                                |                                |                                |
| 1     | Once off costs (USSD String Registration, Network Once off costs etc) | R                              |                                |                                |
| 2     | Professional Service Fees (Integration)                               | R                              |                                |                                |
| 3     | Platform and Licensing Fees (Annual)                                  | R                              |                                |                                |
| 4     | Support & Maintenance Fees (Annual)                                   | R                              |                                |                                |
| 5     | Sub Total                                                             | R                              |                                |                                |
| 6     | VAT AMOUNT                                                            | R                              |                                |                                |
| 7     | Total Cost (Inc. VAT)                                                 | R                              |                                |                                |

Messaging costs per unit:

| Item | Description                         | Unit Cost<br>Year 1<br>(VAT Excl.) | Unit Cost<br>Year 2<br>(VAT Excl.) | Unit Cost<br>Year 3<br>(VAT Excl.) |
|------|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1    | Message delivery pricing (NI USSD)  | R                                  |                                    |                                    |
| 2    | Message delivery pricing (SMS)      | R                                  |                                    |                                    |
| 3    | Message delivery pricing (Email)    | R                                  |                                    |                                    |
| 4    | Message delivery pricing (WhatsApp) | R                                  |                                    |                                    |

The service provider warrants that the pricing quoted above is in line with the Specification and is free of any errors and omissions and that can deliver the service on the quoted price

**Cost Management and Usage Monitoring**

- The service provider shall implement real-time usage dashboards or shall submit monthly reports with corresponding invoices for Postbank to monitor message volumes and associated costs.
- The provider shall negotiate bulk-rate agreements with mobile network operators, with savings passed on to Postbank.
- Where feasible, the platform shall use cheaper alternative channels for non-sensitive alerts, reducing reliance on more expensive messaging costs like SMS.
- The above requirements will form part of the SLA and assessed in the quarterly reviews.

The service provider warrants that the pricing quoted above is free of any errors and omissions and that they shall be able to deliver on the price quoted.

**NAME OF DELEGATED SIGNATORY:** .....

**(PRINT)** in his capacity of

**DESIGNATION OF SIGNATORY:** .....

**(PRINT)** who warrants his authority to sign on behalf of

**SIGNATURE:**.....

**NAME OF BIDDER (COMPANY) :** .....

**DATE:** .....

**DECLARATION**

I, \_\_\_\_\_, hereby declare that the information provided above is correct and

that there is no misrepresentation of facts.

## SECTION 5

### STANDARD BID DOCUMENTS (SBDs)

#### SBD 4

#### 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 interest<sup>1</sup> 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.

| 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:

.....  
.....

---

<sup>1</sup> 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.

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 consortium<sup>2</sup> 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 1, 2 and 3  
ABOVE IS CORRECT.

---

<sup>2</sup> 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.

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**

### 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 or 90/10** 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 / 90    |
| SPECIFIC GOALS                                   | 20 / 10    |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

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. FORMULA 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:

##### **80/20or90/10**

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

Where

Ps=Points scored for price of tender under consideration

Pt=Price of tender under consideration

Pmin=Price of lowest acceptable tender

#### 3.2. FORMULA 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**

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

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) |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Historically Disadvantaged individuals (51% and above)      | 5                                                                                 | 8                                                                                 |                                                                           |                                                                           |
| Women (51% and above)                                       | 3                                                                                 | 7                                                                                 |                                                                           |                                                                           |
| Disabled (51% and above)                                    | 2                                                                                 | 5                                                                                 |                                                                           |                                                                           |

#### 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:**.....

.....

.....

.....

## SECTION 7

## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT – JULY 2011**

### **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 GCC 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 GCC. Whenever there is a conflict, the provisions in the SCC shall prevail.

### **TABLE OF CLAUSES**

1. Definitions
2. Application
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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 anything 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 organisation purchasing the goods.
- 1.22 "Republic" means the RSA.
- 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, SCC are also laid down to cover specific supplies, services or works.
- 2.3 Where such SCC 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](http://www.treasury.gov.za)

## **4 Standards**

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

## **1 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:
  - 7.3.1 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
  - 7.3.2 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 organisation 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:
  - 13.1.1 performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2 furnishing of tools required for assembly and/or maintenance of the supplied goods;

- 13.1.3 furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4 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
  - 13.1.5 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:
- 14.1.1 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
  - 14.1.2 in the event of termination of production of the spare parts:
    - 14.1.2.1 Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - 14.1.2.2 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 fulfilment 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 authorised in SCC or in the purchaser's request for bid validity extension, as the case may be.

## **18 Contract amendments**

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

## **19 Assignment**

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

## **20 Subcontracts**

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

## **21 Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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:
  - 23.1.1 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;
  - 23.1.2 if the Supplier fails to perform any other obligation(s) under the contract; or
  - 23.1.3 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:

23.6.1 the name and address of the supplier and / or person restricted by the purchaser;

23.6.2 the date of commencement of the restriction

23.6.3 the period of restriction; and

23.6.4 the reasons for the restriction.

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

23.8 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,
- 27.5.1 the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- 27.5.2 the purchaser shall pay the supplier any monies due the supplier.

## **28 Limitation of liability**

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of

infringement pursuant to Clause 6;

- 28.1.1 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
- 28.1.2 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 SARSS.

### **33 National Industrial Participation (NIP) Programme**

- 33.1 The NIP Programme administered by the DTI shall be applicable to all contracts that are subject to the NIP obligation.

### **34 Prohibition of restrictive practices**

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned

**The above General Conditions of Contract (GCC) are accepted by:**

|                     |  |
|---------------------|--|
| <b>Name:</b>        |  |
| <b>Designation:</b> |  |
| <b>Bidder:</b>      |  |
| <b>Signature:</b>   |  |
| <b>Date:</b>        |  |