



ROOTED IN THE FUTURE

LIMPOPO ECONOMIC DEVELOPMENT AGENCY (LEDA) REQUEST FOR PROPOSAL (RFP)

APPOINTMENT OF MULTIPLE STRATEGIC FUNDING PARTNERS TO SUPPORT STRUCTURED FINANCIAL ASSISTANCE TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) FOR A PERIOD OF 36 MONTHS

Bid information	Details
Bid / Tender number	LEDA/FUND/2026/27-6
Advert date	23 October 2026
Non-compulsory briefing session	03 November 2026, 11h00 Meeting link: Strategic Funding Partners briefing session
Closing date	20 November 2026
Closing time	11h00
Submission method	One (1) original hard copy and One (1) electronic copy in PDF format on USB.
Administrative Enquiries	Ms Suzan Mabeba 015 633 4700 Suzan.mabeba@leda.co.za
Technical Enquiries	Mr Andrew Mahwangwa 015 633 4700 Andrew.mahwangwa@leda.co.za
Physical address for delivery of documents	Enterprise Development House, Main Road, Lebowakgomo, 0737
Validity period	90 days

PART A: INVITATION AND CONDITIONS OF BID

1. Invitation to submit proposals

The Limpopo Economic Development Agency (LEDA) invites suitably qualified and financially sound financial institutions, development finance institutions, commercial banks, private funding institutions, fintech companies, impact investors, investment funds, enterprise finance organisations and other eligible funding organisations to submit proposals for appointment to a panel of strategic funding partners.

The partnership is intended to complement and strengthen LEDA's existing enterprise development and financing programmes by leveraging additional funding capacity, expertise and appropriate financial products. LEDA intends to appoint more than one qualifying partner, subject to the outcome of the competitive process, the published evaluation methodology, due diligence, applicable legal and regulatory requirements, and approval by the delegated authority.

Appointment to the panel will not guarantee any minimum allocation, number of referrals, funding volume, revenue or transaction. Each transaction will be subject to the approved partnership framework, the needs and eligibility of the MSME, product suitability, funding availability, due diligence, applicable credit approvals and the relevant written agreement.

2. Introduction and institutional context

LEDA is a provincial public entity established in terms of the Limpopo Economic Development Agency Act, 2016, with the mandate to stimulate economic growth, industrialisation, enterprise development, investment promotion and sustainable job creation within Limpopo Province.

Through its Enterprise Development and Finance Division (EDFD), LEDA provides financial and non-financial support to MSMEs. Demand for development finance, including working capital required by enterprises undertaking public and private sector contracts, exceeds the resources currently available to the Agency. LEDA therefore seeks strategic partners that can complement its funding function through additional capital, specialist expertise, technology and sustainable funding solutions. The partnership is intended to support LEDA's mandate, not to replace it.

3. Purpose and objectives

The purpose of this RFP is to appoint a panel of suitably qualified strategic funding partners to complement and strengthen LEDA's existing enterprise development and financing programmes. Through the partnership, LEDA seeks to broaden access to appropriate and sustainable funding for qualifying MSMEs in Limpopo Province while continuing to fulfil its developmental mandate of providing financial assistance and facilitating access to finance.

- Increase access to appropriate and affordable finance for MSMEs in Limpopo Province.
- Address working-capital constraints faced by enterprises executing public and private sector contracts.
- Mobilise additional public and private capital and specialist financing expertise.
- Support local, youth-owned, women-owned, township and rural enterprises, and other qualifying businesses in line with applicable policy.
- Promote enterprise sustainability, job creation, localisation and inclusive economic growth.
- Establish transparent partnership, risk-sharing, governance, monitoring and reporting arrangements.

4. Scope of partnership

Bidders may propose one or more funding products or support services that they are legally authorised and operationally capable of providing. Proposals may cover:

- Working-capital, purchase-order, contract, bridging and invoice-discounting finance.
- Asset finance and revolving credit facilities.
- Infrastructure contractor and supply-chain finance.
- Agricultural, manufacturing, tourism, hospitality, mining supply-chain, township and rural enterprise finance.
- Green-economy, renewable-energy, export and trade finance.
- Enterprise and Supplier Development (ESD), business advisory, mentoring and capacity-building support.
- Project monitoring, digital financial solutions, co-funding, blended finance and risk-sharing models.
- Other clearly described financing or enterprise-support solutions aligned to LEDA's mandate.

For each product or service proposed, the bidder must specify the target MSME segment, eligibility rules, typical and maximum facility sizes, tenor, security requirements, funding availability, approval process, expected turnaround times, pricing, risk allocation and reporting arrangements.

5. Nature and duration of appointment

LEDA intends to appoint more than one successful bidder to a panel of strategic funding partners for a period of thirty-six (36) months, subject to approval and the terms of the final agreement.

Panel appointment does not guarantee any referrals, transactions, funding volume, revenue or capital contribution by LEDA. It is not exclusive and does not authorise an appointed partner to act on behalf of LEDA unless LEDA has expressly authorised this in writing.

The partnership or framework agreement will set out the operational arrangements, including roles and responsibilities, referral and allocation processes, application handling, approvals, funding arrangements, service levels, reporting, confidentiality, POPIA obligations, audit and record access, risk allocation, dispute resolution, termination and exit.

6. Eligibility and submission requirements

Bidders must submit the following, as applicable to their legal form and regulatory status:

- Completed and signed bid submission form and all required declarations.
- Certificate of incorporation or registration and CIPC documents, where applicable.
- Company or institutional profile, organisational structure, ownership/shareholding information and physical operating locations.
- Valid SARS Tax Compliance Status PIN and VAT registration details, where applicable.
- B-BBEE verification certificate or sworn affidavit, where applicable and in accordance with the bid rules.
- Evidence of relevant licenses, registrations and regulatory approvals, including FSCA, NCR, South African Reserve Bank or other authority where applicable to the proposed activities.
- Audited annual financial statements for the previous three financial years, or equivalent evidence accepted in the bid conditions for entities not required to produce audited statements.
- Evidence of available capital and funding sources, including confirmation of approved facilities where relied upon.
- Relevant experience, signed reference letters and supporting contracts or appointment letters.

- Technical proposal, implementation methodology, proposed partnership model and risk-management framework.
- Completed financial proposal and pricing schedules.

PART B: TECHNICAL PROPOSAL REQUIREMENTS

7. Institutional profile and regulatory standing

The bidder must describe its legal status, ownership, governance, organisational structure, years of operation, locations, presence in Limpopo where applicable, and relevant regulatory standing. The bidder must disclose any consortium, subcontractor, agent or co-funder involved in the proposal.

8. Financial capacity and funding availability

The bidder must demonstrate its capacity to fund the proposed products and explain how the stated funding capacity is calculated. The submission should distinguish cash and cash equivalents, confirmed undrawn facilities, committed capital, third-party capital subject to conditions, and funds already committed to other obligations. Supporting evidence must be current and verifiable.

Funding capacity must not be counted more than once across products or proposed partnership models. LEDA may verify funding confirmations directly with the issuing institutions.

9. Relevant experience

Bidders must describe comparable funding and enterprise-support programmes undertaken during the previous five years, including client/beneficiary segments, aggregate and individual facility values, role performed, outcomes, and contactable references. Reference letters must be signed and supported by appointment letters or contract or equivalent evidence.

10. Proposed partnership and implementation model

The technical proposal must address, at a minimum:

- Proposed partnership structure and respective roles and responsibilities.
- Funding products, target MSMEs, eligibility rules and geographic/sector coverage.
- MSME referral, application, onboarding and due-diligence processes.
- Credit assessment, approval authority, disbursement and collections processes.
- Funding source, capital contribution and any conditions precedent.
- Risk management, security, default management, recoveries and loss allocation.
- Monitoring, performance indicators, management information and reporting frequency.
- Turnaround times and service standards at each stage.
- Technology systems, data security, POPIA compliance and information-sharing arrangements.
- Enterprise support, mentoring or non-financial services offered.
- Proposed governance, escalation, dispute resolution, exit and continuity arrangements.
- Implementation plan, key personnel, milestones and mobilisation period.

11. Human resources and operational capacity

The bidder must provide an organogram and identify personnel responsible for business origination, credit assessment, legal and risk review, disbursement, collections, monitoring and reporting. Relevant CVs, qualifications and role descriptions must be provided for the key personnel proposed.

12. Due diligence

LEDA may conduct due diligence on shortlisted or preferred bidders, including verification of legal status, licences, financial standing, funding sources, experience, references, governance, litigation history, creditworthiness, systems, controls and physical operations. Due diligence does not guarantee appointment.

13. Confidentiality, information security and POPIA

Bidders must identify confidential or proprietary information in their submissions. Any personal information shared during the process must be handled lawfully and only for the stated purpose. The successful partner must comply with applicable data-protection and information-security requirements, including contractual controls governing access, use, storage, disclosure, incident notification, retention, return or secure deletion of LEDA information and any use of subcontractors.

PART C: EVALUATION METHODOLOGY

14. Evaluation stages

LEDA has set minimum standards (Stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Pre-qualification Criteria (Stage 1)	Technical Evaluation Criteria (Stage 2)	Due diligence (Stage 4)
Bidders must submit all documents as outlined in paragraph 13.1 below. Only bidders that comply with ALL these criteria will proceed to Stage 2.	Bidder(s) are required to achieve a minimum of 70 points out of 100 points to proceed to Stage 3 (Price and Specific goals)	Bidders will undergo a comprehensive due diligence process prior to finalization of the partnership. The process will include amongst others verification of the bidder's legal, financial, operational, and reputational standing, as well as confirmation of their ability to meet the funding and technical requirements of the project.

14.1. Stage 1: Pre-qualification Criteria

Without limiting the generality of LEDA's other critical requirements for this Bid, bidder(s) must submit the documents listed in Table 2 below. All documents must be completed and signed. Bids will be assessed against the stated administrative and mandatory requirements. Failure to submit a mandatory document may result in disqualification.

Table 2: Administrative and Mandatory Bid Requirements

Requirement	Mandatory	Consequences
SBD 1 - Invitation of Bid	YES	Must be fully completed and signed.
SBD 4 - Declaration of Interest	YES	Must be fully completed and signed. In case of Joint Venture or consortium, each party must complete a separate declaration form. Non-completion will result in bidders being disqualified for false or incomplete declarations.
SBD 6.1 - Preference Point Claim Form	NO	Non-submission results in zero specific-goal points claimed
Central Supplier Database registration	YES	Bidders that are not registered on the Central Supplier Database (CSD) at the time of closing of the bid will be disqualified.
Bidders' consortium or joint venture agreement	YES	Agreement must comply with applicable laws and be signed by all parties. Non-submission will result in disqualification.
Regulatory licenses, registrations or approvals (where applicable)	YES	Bidders must provide evidence of the authorisations required for the funding activities they propose to undertake.

LEDA reserves the right to verify submitted information with the relevant regulatory authority.

14.2. Stage 2: Technical Evaluation Criteria = 100 points

All bidders are required to respond to the technical evaluation criteria.

- Only Bidders that have met the **Pre-Qualification Criteria** will be evaluated in **Stage 2** for functionality. Functionality will be evaluated in accordance with the Evaluation Criteria stipulated in the terms of reference.
- A bidder that scores less than **70%** points out of 100% as per categories in respect of functionality will be regarded as submitting a non-responsive proposal and will not proceed to Stage 3.

Functionality Criteria:

Criteria	Description	Weight	Scoring breakdown	Means of Verification
1. Relevant Experience in providing financial support to enterprises	Experience in implementing provision of loan finance programmes of R100m or more per contract /project/purchase order to enterprises	20	3 reference letters AND contracts or purchase orders = 20 2 reference letters AND contracts or purchase orders = 15 1 reference letter AND contract or purchase order = 7	Fully signed reference letter(s), supported by the corresponding fully signed contract or appointment letter(s) or purchase order(s) for R100m or more (not older than 3 years)
2. Funding Capability	Financial ability to fund large projects/orders/contracts.	30	- Confirmed and demonstrated funding sources capacity with accumulative value of at least R2 billion = 30 - Confirmed and demonstrated funding sources with accumulative value of at least R1.5billion but less than R2 billion = 20 - Confirmed and demonstrated funding sources capacity with accumulative value of R500m but less than R1.5m = 10	Tabulate funding source and value and attach POEs i.e. Audited interim financial statements (show value of cash& cash equivalents plus (+) confirmed undrawn facilities less (-) committed immediate cash obligations), duly signed confirmation of approved funding/credit from credible and registered financial institutions (not older than 3 months)
3. Partnership model, Implementation Methodology and Reporting	Partnership model, implementation methodology including planning, delivery, monitoring, evaluation and reporting	20	- Detailed partnership model covering roles, responsibilities, risk sharing and profit share = 10 - Detailed and clear implementation methodology with funding process, MSMEs onboarding, credit assessments, approvals, disbursements, M&E, collections, turnaround times, risk plan and reporting = 10	Partnership model, Implementation Methodology, M&E framework, risk plan, reporting framework
4. Human Resource Capital & Capacity	The bidder must demonstrate the existence of fit for purpose structure and qualified personnel capable of handling loan origination, credit & risk assessment, disbursement and collection.	10	- Fully resourced team with all four (4) required resources available (business origination, credit & legal risk assessment, disbursement and collection) = 10 - Relevant CVs for the four (4) required resources in (business origination, credit & legal assessment, disbursement and collection) = 10	Organogram, CVs of key personnel, qualifications, policies, systems and procedures

Criteria	Description	Weight	Scoring breakdown	Means of Verification
5. Relevant experience in provision of non-financial Support to enterprises	Experience in non-financial support to enterprises	15	• 3 reference letters AND contracts/SLA= 15 • 2 reference letter AND contracts/SLA = 10 • 1 reference letter AND contracts/SLA = 5	MSMEs non-financial support signed references with corresponding contracts/SLAs. (Not older than 3 years)
6. Innovation and value proposition in provision of financial Support to enterprises	A detailed, practical implementation plan demonstrating how the bidder will identify and onboard MSMEs for financial support in the partnership.	5	Detailed MSMEs onboarding and financial support implementation plan = 5	Detailed Value Proposition

15. Validity Period

The bid offers and proposals should be valid and open for acceptance by LEDA for a period of **90** days from the closing date of the bid.

16. Multiple appointments and allocation of opportunities

LEDA intends to appoint multiple successful bidders to a panel of strategic funding partners for a period of thirty-six (36) months.

Allocation of opportunities will be based on the MSME's funding needs and eligibility, suitability of the partner's product, available funding capacity, sector and geographic coverage, affordability and other disclosed product terms, expected turnaround time, risk requirements and the partner's performance.

PART D: FINANCIAL PROPOSAL AND PRICING SCHEDULE

17. Instructions for completing the financial proposal.

Each bidder must submit a separate financial proposal for every funding product or funding model offered. Rates and amounts must be stated in South African Rand (ZAR). For every applicable fee, charge or payment, the bidder must identify who is responsible for payment: LEDA, the MSME, the funding partner, a third party, or more than one party. Where an item does not apply, state "Not applicable".

Bidders must state whether rates are fixed or variable. For variable rates, identify the benchmark, margin, frequency and conditions for changes. Disclose VAT treatment, all fees and charges, the basis of calculation, when amounts become payable, any conditions or exclusions, and all other material financial obligations. No undisclosed fee or charge may be imposed.

17.1. Schedule A: Funding Product and Capacity

Bidders must complete this schedule for each funding product or model proposed.

#	ITEM	BIDDER RESPONSE
1	Legal name of bidder	
2	Product / funding model name	
3	Target MSME / sector / geography	
4	Minimum facility amount (R)	
5	Maximum facility amount (R)	
6	Aggregate funding capacity offered through this partnership (R)	
7	Funding committed specifically to this partnership (R), if any	
8	Source of funds and evidence reference	

#	ITEM	BIDDER RESPONSE
9	Minimum / maximum tenor	
10	Security or collateral requirements	
11	Expected approval and disbursement turnaround times	
12	Conditions precedent / restrictions	
13	Is funding subject to further credit approval? Explain.	

17.2. Schedule B: Interest Rate and Fees

#	Charge / term	Basis and rate / amount	Who pays? (LEDA/MSME/funding partner/third party/shared)	When payable and applicable conditions
1	Interest rate (fixed or variable)			
2	Reference/base rate and source, if variable			
3	Margin above/below base rate (%)			
4	Frequency and conditions for rate changes			
5	Application / initiation fee			
6	Arrangement / facility fee			
7	Administration / management fee			
8	Commitment fee, if applicable			
9	Drawdown / disbursement fee			
10	Monitoring / servicing fee			
11	Legal / due-diligence costs and basis			
12	Early settlement / cancellation charges			
13	Default interest and default-related charges			
14	Collection / recovery costs and basis			
15	Other fees, charges or payments (specify)			
16	VAT treatment and whether amounts are VAT-inclusive			
17	Total estimated charges for the illustrative scenario in Schedule D			

17.3. Schedule C: Capital, Risk and Revenue Sharing

Item	Bidder proposal / amount / percentage / explanation
Capital contribution by funding partner (R and percentage of total)	
Capital contribution requested from LEDA, if any (R and percentage of total)	
Contribution by third party (R and conditions)	
Funding source and conditions precedent	
Responsibility for assessing MSME funding applications	
Party making the final credit decision	
Allocation of credit risk and losses arising from default	
Security registration and enforcement responsibilities	
Responsibility for collections and recoveries	
Allocation of recoveries following default	
Referral fee payable to LEDA, if proposed, and calculation method	
Revenue or profit share payable to LEDA, if proposed, and calculation method	
Contribution towards LEDA's agreed costs, if proposed	
Frequency and method of calculating/paying amounts due to LEDA	
Minimum transaction volumes, funding commitments or exclusivity requested	
Other financial obligations, conditions or material exclusions	

17.4. Schedule D: Standard Illustrative Financing Scenario

The following scenario will be used to compare the proposed funding terms and financial arrangements of bidders. These assumptions are illustrative only and do not constitute a funding commitment.

Scenario item	Bidder to calculate
Illustrative principal amount	R
Illustrative tenor and repayment profile	[insert period and repayment basis]
Drawdown assumption	[insert assumed date or drawdown profile]
Gross funding amount offered to MSME	R
Total interest payable by MSME over scenario	R
Total fees and charges payable by MSME	R
Total cost of funding to MSME, including interest and charges	R
Net amount made available to MSME after upfront deductions	R
Total amount repayable by MSME	R
Referral fee payable to LEDA, if proposed	R
Revenue / profit share payable to LEDA, if proposed	R
Other payments / contributions payable to LEDA	R
Total payments / financial benefits payable to LEDA	R
Total costs payable by LEDA, if any	R
Net financial benefit to LEDA after its applicable costs	R
Assumptions, exclusions and variable-rate exposure	State all assumptions and identify variable-rate exposure

17.5. Financial Proposal Declaration

We confirm that the financial information submitted is complete and accurate and that all proposed funding rates, fees, charges, referral fees, revenue-sharing arrangements, contributions, financial obligations and material assumptions have been disclosed.

We further confirm that the proposal will remain valid for the period specified in the bid conditions. Any appointment and resulting transactions will be subject to the final written agreement concluded between the parties. No undisclosed fees or charges will be imposed.

Authorised signatory: _____

Full name: _____

Designation: _____

Name of bidder: _____

Date: _____

Signature: _____

18. Contract Award

- 18.1. LEDA reserves the right to accept any proposal submitted or reject all proposals.
- 18.2. LEDA reserves the right to reject proposals where parties cannot agree on material terms of the agreement.
- 18.3. The successful bidders will be required to sign a Memorandum of Agreement (MoA) to govern the business relationship.
- 18.4. LEDA will not be held responsible for any costs incurred by the service provider in the preparation and submission of the bid.

19. Termination Of Contract

- 19.1. LEDA reserves the right to terminate the agreement with the appointed funding partner by giving thirty (30) days' written notice, subject to the provisions of the Memorandum of Agreement (MoA) and the following circumstances:
 - 19.1.1. The funding partner fails to perform its obligations in accordance with the service requirements, performance standards or other conditions stipulated in the MoA.
 - 19.1.2. The funding partner fails to remedy a breach or provide an acceptable written explanation within the period specified in a written notice issued by LEDA.
 - 19.1.3. The funding partner materially breaches any provision of the Request for Proposal (RFP), the MoA or any other agreement concluded with LEDA in connection with the partnership.
 - 19.1.4. The funding partner becomes insolvent, loses a licence or authorisation required to provide the relevant funding services, or is otherwise unable to fulfil its obligations under the agreement.
- 19.2. Where the breach is capable of being remedied, LEDA shall, where appropriate, give the funding partner written notice specifying the breach and a reasonable period within which to remedy it before terminating the agreement.
- 19.3. Notwithstanding the above, LEDA reserves the right to terminate the agreement with immediate effect, or on such shorter notice as may be permitted by law and the MoA, where the breach is serious, unlawful or incapable of remedy, or where continued performance would expose LEDA to material legal, financial or reputational risk.
- 19.4. Termination shall be without prejudice to any rights or remedies accrued by either party before the effective date of termination.

20. Special Conditions

- 20.1. LEDA reserves the right to appoint the bidder that proves to be fully capable and qualified to handle and execute the job.
- 20.2. Bids submitted must be in line with the detailed specification. Failure to bid accordingly will automatically disqualify the submitted bid.
- 20.3. The following are the conditions under which the bid can be cancelled or withdrawn:
 - 20.3.1. Due to changed circumstances, there is no longer a need for these services; or
 - 20.3.2. Funds are no longer available to cover the total envisaged expenditure; or
 - 20.3.3. No acceptable bids are received;
 - 20.3.4. Negotiating a fair market price has failed; or
 - 20.3.5. There is a material irregularity in the tender process.
- 20.4. In the case of sub-contracting or joint venture agreement, LEDA will enter into a single contract with the principal bidder.
- 20.5. Bidders who are not registered on Central Supplier Database (CSD) must register before submission of bids.
- 20.6. The bid document must strictly be completed with unerasable ink will not be acceptable and will automatically disqualify the submitted bid.
- 20.7. Bid documents should be deposited in the tender box situated at 1 Main Road Lebowakgomo on or before **20 November 2026 at 11h00** which is the closing date for this bid.
- 20.8. This request for bid document contains confidential information about LEDA, which has been provided to supply potential bidders with the data necessary to provide a holistic response.
- 20.9. No part of the contents may be used, copied, disclosed or conveyed in whole or in part to any party, in any manner whatsoever without the prior written permission of LEDA.
- 20.10. Any reproduction or transmission of information contained in this document except for the sole purpose of responding to this bid is strictly prohibited.
- 20.11. References to LEDA must not be made in any literature, promotional material, and brochures or sales presentations without the express written consent of LEDA.
- 20.12. It is the responsibility of the bidder to ensure that LEDA can receive and open the submitted proposal (electronic and otherwise).

21. Clarification / Queries

- 21.1. The process of clarification required by a bidder regarding the meaning or interpretation of the Terms of Reference, or any other aspects concerning the bid will be done in writing (letter, facsimile or e-mail).
- 21.2. Telephonic requests for clarification will not be considered.
- 21.3. The cut-off date for queries is **16 November 2026** at 16h00.

21.4. The bid reference number should be quoted in all correspondence.

21.5. The contact persons are as follows:

Administrative Enquiries : Ms Suzan Mabeba at suzan.mabeba@lieda.co.za

AND

Technical Enquiries : Mr Andrew Mahwangwa at Andrew.mahwangwa@lieda.co.za

21.6. Queries received will be responded to within two days of receipt.

22. Non- Compulsory Briefing Session

The briefing session shall be held as follows:

Date : **03 November 2026**

Time : 11:00am

Meeting link : [Strategic Funding Partners briefing session](#)

Proposals and supporting documentation must be placed in the Tender Box in a sealed envelope at Limpopo Economic Development Agency, Enterprise Development House, Main Road, Lebowakgomo, 0737.



PART A INVITATION TO BID

SBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LIMPOPO ECONOMIC DEVELOPMENT AGENCY					
BID NUMBER:	LEDA/FUND/2026/27-6	CLOSING DATE:	20 NOVEMBER 2026	CLOSING TIME:	11H00
DESCRIPTION	STRATEGIC FUNDING INSTITUTIONS TO PARTNER WITH THE LIMPOPO ECONOMIC DEVELOPMENT AGENCY (LEDA) IN PROVIDING STRUCTURED FINANCIAL ASSISTANCE TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)				
BID RESPONSE DOCUMENTS SHOULD BE HAND DELIVERED TO THE ADDRESS BELOW:					
Limpopo Economic Development Agency					
Enterprise Development House					
Main Road, Lebowakgomo					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	SUZAN MABEBA		CONTACT PERSON	ANDREW MAHWANGWAL	
TELEPHONE NUMBER	015 633 4700		TELEPHONE NUMBER	015 633 4700	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Suzan.mabeba@lieda.co.za		E-MAIL ADDRESS	Andrew.mahwangwa@lieda.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			☐ YES ☐ NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			☐ YES ☐ NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			☐ YES ☐ NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			☐ YES ☐ NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			☐ YES ☐ NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

DATE:

**BIDDER'S DISCLOSURE****1. PURPOSE OF THE FORM**

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

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

2. BIDDER'S DECLARATION

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

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

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

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

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of bidder

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

**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010**

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions 1. The following terms shall be interpreted as indicated:

- 1.1. "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3. "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. "Corrupt practice" means the offering, giving, receiving, or soliciting of 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 organization purchasing the goods.
- 1.22. "Republic" means the Republic of South Africa.
- 1.23. "SCC" means the Special Conditions of Contract.
- 1.24. "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

- 2. Application**
- 2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
 - 2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
 - 2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

- 3. General**
- 3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non- refundable fee for documents may be charged.
 - 3.2. With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

7.1. Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyse

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspections 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 analysed 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. Packaging

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

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

- 10. Delivery and documents** 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.
- 11. Insurance** 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.
- 12. Transportation** 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
- 13. Incidental services** 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts** 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15.Warranty	15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they .incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination. 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC. 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty. 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser. 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.
16.Payment	16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC. 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon 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 authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
18.Contracts 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 these contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without 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:

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

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

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

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

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

- 25. Force Majeure** 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for Insolvency** 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes** 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of liability** 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governance language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country. 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation (NIP) Programme	33.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation
34. Prohibition of restrictive practices	34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging). 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998. 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.