PONGOLA-UMZIMKULU CATCHMENT MANAGEMENT AGENCY

Tender number	Description	Required at	Due date
PUCMA23PK	**Appointment of a Professional Service Provider (PSP) to Provide** **Support on water availability assessment within the Matigulu** **River System within the Kwazulu-Natal (KZN) Province** Bids obtainable from .02/11/2026: Documents can be downloaded from website: www.dws.gov.za/Tenders/tendersCurrent.aspx **Submission of bid response:** **Bids to be deposited in:** 303 Dr. Pixley KaSeme street Delta Towers Durban 4001. Bid Box Ground Floor GPS Coordinates:(-29° 51' 31" S) (31° 01' 17" E) For technical information please contact: Dr. B Mdluli Cell: 082 887 8762 Email: MdluliB@dws.gov.za For completion of bid documents please contact: Bid Office, Tel: 0674255331 Email: ndabas@dws.gov.za Hours: 08:00-16:00.	PONGOLA UMZIMKULU CATCHMENT MANAGEMENT AGENCY **(PUCMA)**	Bid Closing 23/11/2026

PONGOLA-UMZIMKULU CATCHMENT MANAGEMENT AGENCY

DIRECTORATE: WATER RESOURCE PLANNING AND MANAGEMENT

TERMS OF REFERENCE

Appointment of a Professional Service Provider (PSP) to Provide Support on water availability assessment within the Matigulu River System within the Kwazulu-Natal (KZN) Province

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1. BACKGROUND

The Matigulu River System is an important water resource system supporting domestic, agricultural, ecological, tourism and other socio-economic activities within the catchment. Increasing water demand, climatic variability, droughts and floods, land-use change, population growth, water-quality deterioration, and competing water requirements necessitate a better understanding of water availability, use, allocation, and distribution within the system.

A detailed water balance is therefore required to establish a scientifically robust understanding of the relationship between water inputs, storage, abstractions, consumptive use, return flows, losses, environmental water requirements and downstream flows within the Matigulu River System.

The study will provide an evidence base for water-resource planning, allocation, licensing, catchment management, drought and flood planning, ecological protection, water-use efficiency and long-term water security.

The water balance should not only determine whether sufficient water is available in the system, but should also assess who uses the water, how water is used, where benefits are derived, what water remains available for ecosystems, and where water insecurity or resource constraints occur

2. PURPOSE

The purpose of this assignment is to conduct a ***detailed, spatially and temporally explicit water balance of the Matigulu River System*** to quantify water availability, water use and water requirements and to identify current and future water-resource constraints.

The study must establish a defensible water balance that accounts for:

- rainfall and other climatic inputs;
- surface-water inflows and runoff;
- groundwater contributions and abstraction;
- dams, reservoirs and other storage;
- authorised and unauthorised water abstractions;
- registered and unregistered water users where information is available;
- domestic, agricultural, industrial, municipal and other water uses;
- irrigation requirements and irrigation return flows;
- municipal wastewater and other return flows;
- evaporation and evapotranspiration;
- channel and conveyance losses;
- inter-catchment transfers, where applicable;
- environmental water requirements and ecological flows;
- downstream requirements;
- water-quality constraints on water availability;
- drought and flood conditions; and
- current and projected future water demands.

3. OBJECTIVES

The specific objectives are to:

1. Delineate and characterise the Matigulu River System and its relevant sub-catchments, tributaries, water-use areas and hydrological units.
2. Compile and critically assess available hydrological, climatic, groundwater, water-use, storage, ecological, land-use and socio-economic data.
3. Quantify the major components of the water balance for appropriate spatial and temporal scales.
4. Determine surface-water and groundwater availability under current conditions.
5. Quantify actual and authorised water use and distinguish, where possible, between licensed, registered, estimated and unaccounted-for use.
6. Assess the relationship between water availability and environmental water requirements/ecological Reserve requirements.
7. Quantify water losses, return flows and change in storage.
8. Identify areas of water surplus, water deficit, high water stress and water-use inefficiency.
9. Assess the reliability of water availability during normal, dry, drought and wet conditions.
10. Develop scenarios for future water demand and climate variability.
11. Identify gaps, uncertainties and limitations in the existing water-resource information system.
12. Provide recommendations for improved water allocation, water-use efficiency, monitoring, management and catchment planning.

4. SCOPE OF WORK

The PSP will conduct a detailed water balance study related to the Matigulu River System and the functions of the PSP, where necessary and requested to do so, and will include the following tasks:

- Water resources yield model (yield analysis)
- Water Resources Planning Model(*scenario analysis)
- Developing recommendations on long-term operating rules or options for the system
- Update Water requirements
- Update Water availability
- Update various strategy intervention options to meet the requirements in the MatiguluAreas
- Stakeholder engagement and administrative support
- Project management and administration
- Provide recommendations on the hydrology and setting up water resources models or a monitoring network of infrastructure for the Matigulu River System.
- Investigate the expansion of the water resource monitoring network within the study area.
- Facilitate site visits to confirm water use, resources and water infrastructure (Dam options)

The studies are envisaged to cover a **36-month period.** These Terms of Reference (ToR) are for an appointment of a Professional Service Provider (PSP) to undertake the study on behalf of the PUCMA.

5. STUDY AREA

The Matigulu River System is situated in northern KwaZulu-Natal, South Africa, within the Pongola–Mtamvuna Water Management Area. It falls within the King Cetshwayo District Municipality and includes areas surrounding Matigulu landscape (Map). The river traverses mainly rural, agricultural land, with key conservation zones and tourism activities both within and downstream of the catchment. The system is hydrologically and ecologically linked to nearby river and wetland networks and ultimately feeds into the coastal drainage system downstream.

The catchment includes rural settlements, commercial and small-scale agricultural activities, conservation areas, wetlands, and natural vegetation. The area experiences seasonal variability in rainfall and streamflow, with droughts and floods affecting water availability, ecosystem functioning, and community

livelihoods. The Matigulu conservation landscape further enhances the river system's ecological importance, particularly for biodiversity conservation, environmental water requirements, and ecosystem health.

From a water-resource management perspective, this location offers a crucial socio-ecological context where demands for domestic water, agriculture, conservation, tourism, and ecosystem health converge. It serves as a key example for exploring how water management can balance fair water use, human well-being, and ecosystem health.



The location of the Matigulu River System

6. STUDY GOVERNANCE

The governance structure of the study will mainly consist of the committees listed in ***Table* 1**:

Table 1: Status of governance structures for the study

Water Supply System	Status of the Reconciliation Strategy	Governance Requirements		
		Study Administration Meetings (SAM)	Technical Support Group (TSG)	Strategy Steering Committee (SSC)
Conducting a detailed, spatially and temporally explicit water balance of the Matigulu River Systems to quantify water availability, water use and water requirements and to identify current and future water-resource constraints	Comprehensive Assessment	**Yes,** once every 6 months	**Yes**, once every 3 months	**Yes**, once every 3 months
Total number of meetings per year		**2**	**4**	**2**
Total number of meetings in 24 Months		**6**	**12**	**6**

6.1 Study Administration Meetings (SAM)

The **Study Administration Meetings** (SAM) are attended by the PUCMA and the PSP Study teams. The committee is responsible for the study's day-to-day administration and management. The SAM meetings will be scheduled as shown in **Table 1,** starting with an Inception Meeting and a meeting at the end of the Inception Phase. The SAM meetings will be held virtually.

6.2 Technical Support Group (TSG)

The TSG comprises the PUCMA Study Management Team, the PSP Team, PUCMA Technical Teams and other external technical teams that provide input into the first-order detailed assessments and analysis of the strategy. The TSG will hold meetings as shown in **Table 1**. One TSG meeting will be held before the Strategy Steering Committee (SSC) meeting as a dry run for that specific SSC meeting. All TSG meetings will be held within the study area; therefore, hybrid meetings will be required only to accommodate those who cannot attend in person.

6.3 Strategy Steering Committee (SSC)

The SSC is currently fully functional. It is a forum for stakeholder consultation and public participation. The SSC, comprising representatives of relevant PUCMA Directorates, other relevant National and Provincial Government Departments, Municipalities, Water Boards and other interested parties identified during the course of the study, will provide high-level direction and guidance with the support of the SAM and TSG. It will monitor implementation of the Strategy, recommend adjustments when required, and communicate progress to all stakeholders and the public. It shall convene every six months as indicated in **Table 1.** All SSC meetings will be held within the study area; therefore, hybrid meetings will be required only to accommodate those who cannot attend in person.

7. FUNCTIONS OF THE PSP

The PSP's functions are to conduct a detailed Agricultural Assessment study and provide technical support for Strategy maintenance. The PSP will also, where necessary, review study reports and high-level technical evaluations; prepare proposals and presentations; and perform general tasks as requested by the Support Group, including arranging meetings, preparing agendas, compiling minutes, status reports, newsletters, and media releases.

The PSP will reconcile all activities listed in section 3 with the deliverables listed in Table 2

7.1 Task 1: Catchment Delineation and System Characterisation

The consultant needs to map and describe the Matigulu River System, covering its sub-catchments, tributaries, water infrastructure, groundwater systems, land uses, water-use zones, and important ecological features. This will form the foundation for the detailed water-balance assessment.

7.2 Task 2: Data Collection and Review

The consultant is responsible for gathering, compiling, and evaluating relevant data on hydrology, climate, groundwater, water usage, ecology, land use, and socio-economic factors for the Matigulu River System. This includes assessing data quality, completeness, and reliability, and identifying significant data gaps and uncertainties that could influence the water-balance analysis.

7.3 Task 3: Development of the Water Balance

The consultant needs to create a detailed water balance by measuring water inputs, storage, usage, losses, return flows, and ecological needs to assess water availability, surpluses, and deficits in the Matigulu River System.

7.4 Task 4: Water-Use Assessment

The consultant needs to evaluate current and future water usage across domestic, agricultural, municipal, and industrial sectors. This includes comparing actual use with authorized allocations, analyzing consumption, return flows, and identifying main demand pressures to support effective water-resource planning and management.

7.5 Task 5: Environmental Water Requirements

The consultant needs to evaluate the ecological reserve and environmental water needs of the Matigulu River Systems, checking if these needs are fulfilled. This includes identifying ecological water deficits and determining priority areas for management.

7.6 Task 6: Water-Quality Considerations

The consultant must assess water quality, pollution pressures and key constraints within the Matigulu River Systems and their implications for water availability and beneficial use.

7.7 Task 7: Groundwater–Surface-Water Interaction

The consultant must assess groundwater-surface-water interactions within the MatiguluRiver System, including groundwater recharge, baseflow contributions, abstraction, and impacts on river flows and wetlands, to inform the overall water balance and sustainable water-resource management.

7.8 Task 8: Temporal Water-Balance Assessment

The consultant must assess seasonal and annual variations in water availability and use, including wet, normal, dry and drought conditions, to determine periods of water surplus, deficit and stress within the Matigulu River Systems.

7.9 Task 9: Spatial Water-Balance Assessment

The consultant must assess the **spatial distribution of water availability, use and demand** across the Matigulu River Systems, identifying areas of **water surplus, deficit, high demand and resource pressure** to support targeted water-resource management.

7.10 Task 10: Water Availability and Yield Assessment

The study must assess water availability and yield across different hydrological conditions, including naturalised and present-day flows, reliable yield, low flows, ecological flows, available storage, system losses, and water surpluses or deficits. The assessment must clearly distinguish between water physically available in the catchment, water that could be allocated, and water available for beneficial use after accounting for environmental, ecological and other constraints.

7.11 Task 11: Scenario Analysis

The consultant must undertake scenario analysis to assess how changes in water demand, climate variability, water-use efficiency, ecological requirements and catchment conditions may affect the future water balance of the Matigulu River Systems, including current, increased-demand, climate-change, efficiency, ecological-restoration and combined future scenarios. Additional scenarios may be developed in consultation with the Pongola to Mzimkulu Catchment Management Agency and relevant stakeholders.

7.12 Task 12: Water Balance Model

The service provider must create a transparent, documented, and transferable water-balance model or accounting tool. This should allow the Catchment Management Agency to update hydrological and water-use data, test various demand and management scenarios, evaluate drought conditions and future water availability, and reproduce water-balance calculations. All assumptions, equations, parameters, and data sources must be thoroughly documented to ensure the model can be maintained and updated over time.

7.13 Task 13: Stakeholder Engagement

Stakeholder engagement will support validation of water-use data, assumptions, and findings, while identifying undocumented water uses, local water-resource challenges, changes in water availability, and potential conflicts. Relevant stakeholders and, where appropriate, local and indigenous knowledge will be incorporated to complement scientific and technical information.

7.14 Task 14: Water Balance Uncertainty and Data Gaps

The consultant must identify and evaluate data gaps, uncertainties, and limitations impacting the water balance, including gaps in hydrological, water-use, groundwater, ecological, and climatic data. They should also recommend measures to enhance data quality, monitoring, and the reliability of future water-balance assessments.

7.15 Task 15: Key Outputs and Indicators

The consultant must define key outputs and measurable indicators covering water availability, water use, ecological requirements, surpluses or deficits, data gaps and priority interventions to support decision-making and ongoing water-resource management.

7.16 *Task 16: Capacity Building and Training*

This task will provide training and technology transfer to PUCMA, water sector partner officials, and nominated individuals from the study area. This is considered to be a key component of the assignment, not only because it will serve to develop the competence and expertise of the individuals in question, but also because it will establish a common understanding of technical aspects between the Study team and the Client (PUCMA) and thereby contribute to the overall success of the assignment and related activities.

The PSP will be expected to propose a training framework during inception, in consultation with the PUCMA and other interested organisations. The framework shall clearly highlight:

- Training objectives
- Identify training needs/purpose and what's to be achieved
- Training methodologies to be used
- Identification of potential trainees

8 EXPERTISE OR SKILLS REQUIRED

The service provider must demonstrate the required technical expertise, professional capability, and institutional experience to carry out the work successfully.
The service provider must demonstrate expertise in water resource assessment. Preference will be given to providers with relevant experience in South African catchments, especially in KwaZulu-Natal.

The proposed team should include, as appropriate:

- The ***Project Manager or Water Resources Specialist*** must hold at least an Honours Degree or an equivalent qualification in Water Resource Management, Environmental Management, Natural Resource Management, Hydrology, Environmental Science, or a similar field. They should also have at least 10 years of project management experience, with a minimum of 7 years in the water sector, leading multidisciplinary teams on projects related to integrated water resources, water resources assessment, catchment management, or environmental restoration.
- A suitably qualified hydrologist with at least a **BSc/BSc Honours or equivalent qualification in Hydrology, Water Resources Engineering, Environmental Sciences or a related field**, with demonstrated experience in catchment-scale hydrological assessments, water-balance

studies, hydrological modelling, streamflow analysis, climate-data analysis and water-resource planning. Experience with South African water-resource management, DWS hydrological datasets, GIS and relevant hydrological modelling tools would be advantageous.

- The **GIS \/Remote Sensing Specialist** must hold a BSc, BSc Honours, or MSc in GIS, Geomatics, Geography, Environmental Science, or a related field, along with at least 5 years of GIS experience and proven skills in spatial modelling and risk mapping.
- The ***Social/Stakeholder Engagement Specialist*** should have a degree in Social Science, Development Studies, Environmental Management, or a similar field, and relevant experience in stakeholder engagement and participatory catchment management.
- **Water Resources Engineer:** A suitably qualified BEng/BSc Eng or equivalent professional with relevant experience in water-resource planning, water-balance assessments, water-use analysis, hydrological/hydraulic modelling and infrastructure assessment. Experience in South African water-resource management, GIS and catchment planning is desirable, with professional registration with ECSA as a **Pr Eng** or eligibility for registration.
- **Hydrogeologist:** A suitably qualified professional with a BSc Honours/MSc or equivalent in Hydrogeology, Geohydrology, Earth Sciences or a related field, with relevant experience in groundwater assessment, aquifer characterisation, recharge, abstraction, monitoring and groundwater–surface-water interactions. Experience in South African water-resource management, GIS and groundwater modelling is desirable.
- **Ecologist/Aquatic Scientist:** A suitably qualified professional with a BSc Honours/MSc or equivalent in Ecology, Aquatic Science, Freshwater Ecology, Environmental Science or a related field, with relevant experience in aquatic ecosystem, biodiversity, river and wetland health assessments, ecological Reserve requirements and environmental monitoring. Experience in South African aquatic ecosystems.
- **Water-Quality Specialist:** A suitably qualified professional with a BSc Honours/MSc or equivalent in Water Quality, Environmental Science, Chemistry, Microbiology, Environmental Engineering or a related field, with relevant experience in water-quality monitoring, pollution assessment, data interpretation and catchment water-quality management.
- **Agricultural/Irrigation Specialist:** A suitably qualified professional with a BSc Honours/MSc or equivalent in Agricultural Engineering, Irrigation, Agronomy, Agricultural Science or a related field, with relevant experience in irrigation systems, agricultural water use, crop water requirements and irrigation efficiency. Experience in South African agricultural water management is desirable.
- **Socio-economic/Water-Use Specialist:** A suitably qualified professional with a BSc Honours/MSc or equivalent in Economics, Social Sciences, Development Studies, Water Resources Management or a related field, with relevant experience in socio-economic assessment, water-use and demand analysis, stakeholder engagement and catchment water-resource management.

9 METHODOLOGY

The PSP must provide a concise methodology for how it intends to conduct the study.

10 REPORTING REQUIREMENTS

Draft quarterly status reports, supported by the documentation set out in **Table 2** as a guideline.

11 WORK PLAN AND TIME SCHEDULE

11.1 Programme

The contract period for the assignment is estimated to be 24 months. The PSP must submit a detailed work program indicating timing of key deliverables and associated costs.

11.2 Study Management

The PUCMA's Directorate: Water Resource Planning and Management will manage PSP activities. Management meetings will take place at appropriate intervals as detailed in Section 7. These are expected to coincide with, or be integrated into, the Technical Support Group meetings, as determined by the programme of SSC meetings. The extent of technical work stemming from SSC requests for support and other instructions issued by the SSC will also influence the need for Support Group and PSP management meetings.

SSC meetings will take place twice a year, with Support Group/study management meetings at the same time, as well as at least twice in between or more often as required. Initial provision must be made for six-weekly meetings.

12 INFORMATION TO BE PROVIDED IN THE PROPOSAL BY THE PSP

12.1 Extent of the Proposals

The text of the Proposal should be to the point and not longer than fifteen pages (A4), excluding CVs, at a font size of 11 and a line spacing of 1.5.

The Technical Proposal must include a detailed human resource (personnel) application breakdown, with rates specified for each study Task. The Financial Proposal must provide the same human resource application breakdown, with rates for each study Task, as part of the Study Cost Schedule.

Supply a table listing all deliverables, the cost of each deliverable, and each deliverable's due date for inclusion in the contract between the DWS and the PSP. The PSP will be paid on receipt of each completed deliverable. We recommend providing at least 16 deliverables. Table 2 provides a guideline of possible deliverables for this Study. The PSPs are responsible for ensuring all activities listed in Section 7 are reflected in **Table 2.**

Table 2: Generic guideline of deliverables for Matigulu River Water Balance study

ITEM	DESCRIPTION
1	Inception Report
2	Data and System Assessment
3	Draft Water Balance
4	Stakeholder Validation
5	Final Water Balance Report
6	GIS and Model Package
7	Management and Decision-Support Brief
8.	Executive Summary and Presentation
9.	2 Annual Status Reports

ITEM	DESCRIPTION
10.	2 News Letter(s)
11.	2 Stakeholder Liaison Modules
12.	Training
13.	Report on each of the site visits conducted
14.	Study Administration Meetings – reports and minutes for the 6 meetings
15.	Study Technical Support Group meetings – reports and minutes for the 12 meetings
16.	Study Steering Committee meetings – reports and minutes for the 6 meetings

12.2 Summary of PSP Capacity and Capability

The proposal must include details about the study leader's and other key personnel's capacity and capability in water resources planning. This should cover their relevant educational qualifications and past experience in water resources planning and related studies. PSPs lacking the necessary in-house capacity, capability, or specific technical or scientific expertise in any part of the assignment are encouraged to form associations or joint ventures with other PSPs that possess the required expertise. Collaborating with smaller, emerging companies is recommended to help build industry capacity.

The Proposal should detail the nature of collaborations, clearly identify the Study Leader, and outline the support structure for this role. Emphasise the Study Leader's expertise and experience in water requirement and availability reconciliation strategies. Additionally, the Study Leader must be a registered Professional Engineer (with ECSA or an equivalent institution per the Washington Accord) or a registered professional Scientist (SACNAPS).

12.3 Summary of Relevant Experience

The Proposal must contain brief summaries of:

- Experience in planning, implementation and management of water resource development projects in Southern Africa;
- Experience in carrying out water balance studies as part of integrated water resource management planning.
- Experience in costing of water resources-related developments and water conservation and water demand management measures;
- Experience of working in multi-disciplinary teams in the water resources domain;
- Experience of water resource-related work in typical catchments and river systems that represent the range of catchment conditions and complexities in South Africa;
- Experience in determining surface and groundwater reserves;
- Experience in using the WRYM and WRPM;
- Experience in water quality monitoring;
- Experience with incorporating potential climate change impacts in models;
- Experience in groundwater well-field exploration, planning, development and setting up the required models for well-field management;
- Experience in administrative inputs to technical and strategic meetings and related water resource study management aspects;
- Ability to facilitate stakeholder meetings;
- Ability to prepare informative newsletters, media releases, presentations and other required information material.

13 GENERAL

Once integrated into the Support Group, the PSP will offer capacity building and training in accordance with item 7.16.

PSPs are encouraged to subcontract at least 30% of the work to one or more ENEs or QSEs that are subject to regulation 4 (1c) of Gazette 10684, Preferential Procurement Regulation 2017.

Additionally, PSPs are advised to involve PUCMA's staff in billable tasks related to the study, to promote skills transfer and capacity building. The proposal should clearly specify these initiatives.

For collaborations involving multiple PSPs, each participating firm must submit a letter confirming its involvement in the Association or Joint Venture. This letter should be appropriately worded and signed by a Principal of the respective firm.

14 INTELLECTUAL PROPERTY

All deliverables and products produced for this assignment will be the sole property of the Pongola-uMzimkulu Catchment Management Agency (PUCMA). If anyone or the PSPs wish to use them or apply them elsewhere, they must do so only after receiving the Agency's written approval.

15 EVALUATION CRITERIA

The evaluation of this bid will be carried out in three (3) phases which are as follows:

- Phase 1: Pre-Compliance
- Phase 2: Functionality Criteria
- Phase 3: Price and Preference Points

PHASE 1: PRE-COMPLIANCE

During this phase bid documents will be reviewed to determine the compliance with SCM returnable documents, tax matters, and whether proof of registration on the Central Supplier Database (CSD) has been submitted with the bid documents at the closing date and time of the bid. Bids that do not satisfy the compliance criteria may not be evaluated further.

The bid proposal will be screened for compliance with administrative requirements as indicated below **Table 3**:

ITEM NO.	ADMINISTRATIVE REQUIREMENTS	CHECK/ COMPLIANCE
1	Master Bid Document	Provided and bound
2	Electronic Copy (USB)	Same as the master bid document
3	SCM - SBD 1 - Invitation to Bid	Completed and signed
4	Tax Compliance and CSD Registration	Attached CSD registration number/ Proof of CSD registration and/or SARS Tax Pin

ITEM NO.	ADMINISTRATIVE REQUIREMENTS	CHECK/ COMPLIANCE
5	SBD 3.2 - Pricing Schedule- and Price Breakdown	Completed
6	SCM - SBD 4 – Bidders Disclosure	Completed and signed
7	SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022	Completed and signed
8	SCM - SBD 6.2 Local Production and Content	Completed and signed
9	In case of bids where Consortia / Joint Ventures, Consortia/ Joint Venture agreement signed by both parties must be submitted with the bid proposal	JV agreement completed and signed
10	Consent and indemnity	Completed and signed

PHASE 2: FUNCTIONALITY CRITERIA

The 80/20 point system will be used in evaluating all proposals. The criteria and guideline weighting points applicable are detailed in the following paragraphs.

Values: 0 Non compliance..... 1 Very Poor..... 2 Poor.....3 Average.....4 Good.... 5 Excellent

Table 4: Functionality Evaluation

Criteria		Points value	Weighting Points Awarded
Functionality	Past Experience of the company in Integrated Water Resource Planning and management projects		20
	≥10 years	5	
	7 to 9 years	4	
	5 to 6 years	3	

Criteria		Points value	Weighting Points Awarded
	3-4 years	2	
	1-2 years	1	
	0 years	0	
	Past Experience of the company in undertaking a water resource study in the relevant study area (5)		5
	≥10 years	5	
	7 to 9 years	4	
	5 to 6 years	3	
	3 to 4 years	2	
	1 to 2 years on all 3 items	1	
	0 years	0	
	Methodology: • Compliance with ToR; • Detailed method statement for each task within the study area; • Inclusion of Organogram; • Detailed programme showing clear sequence and time allocation; and • Innovations in response to the ToR.		35
	All 5 items addressed	5	
	4 items addressed	4	
	3 items addressed	3	
	2 items addressed	2	
	1 item addressed	1	
	No item addressed	0	

Criteria		Points value	Weighting Points Awarded
	Team Capability . • The study leader should have relevant experience in similar projects • The Study leader should be a registered Professional Engineer (with ECSA or recognised institution according to the Washington Accord) or registered professional Scientist (SACNAPS) with specialisation in the water resource planning/management field (the proof, as provided in abridged CV documents attached as part of the proposal). • The criteria for scoring are outlined as per the value system of 1 to 5 below: The team should have a range of experts in various fields (water resource engineer, hydrologist, geohydrologist, water quality specialist, environmentalist, stakeholder engagement specialist), minimum 5 years' experience, and • Other support structures e.g Admin, finance, messengers.		30
	Study leader with min 10 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have minimum 5 years experience and support staff	5	

Criteria		Points value	Weighting Points Awarded
	Study leader with min 8 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have minimum 4 years experience and support staff	4	
	Study leader with min 7 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have minimum 3 years experience and support staff	3	
	Study leader with min 6 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have minimum 2 years experience and support staff	2	
	Study leader with min 5 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have minimum 1 year's experience and support staff	1	
	Study leader with min 3 years relevant experience in relevant water resource planning/management field, and at least 50 % of specialists, hydrologists/engineers and all task leaders have a minimum of 1 year's experience and no support staff	0	

Criteria		Points value	Weighting Points Awarded
	Capacity building and training: • Provide clear proposals on Capacity building and training of 10 PUCMA officials in technical aspects to be undertaken as part of this Study.		10
	Shows innovation in ensuring successful transfer of skills to PUCMA staff	5	
	Provides detailed methodology of training and capacity building as per ToR	4	
	Provides some methodology but not all aspects	3	
	Training in a workshop format only, including WRPM	2	
	Training in a workshop format only, excluding WRPM	1	
	No training & capacity building plan provided	0	
Total			100

This study is highly technical and will also include the application of sophisticated models such as the Water Resources Yield Model and the Water Resources Planning Model. To demonstrate the ability to undertake this study successfully, a bidder must offer a high degree of technical expertise and capability and present a technically excellent study methodology.

For this reason, a bidder is expected to achieve a minimum threshold/required score for Functionality (Past Experience, Methodology, Team Capability and Capacity Building and Training) of 70 (%) points. Only bidders who obtained at least 70% under the Functionality (Technical) Evaluation will be considered for further evaluation.

PHASE 3: PRICE AND PREFERENCE POINTS (BELOW 50 MILLION)

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 preference point system applicable for this bid is 80/20
The following preference point system will be followed to advance the categories of persons:

a. For contracts with a Rand value up to R50 000 000, a maximum of 20 points may be allocated for specific goals as contemplated above, provided that the lowest acceptable tender scores 80 points for price.The applicable formula to be used is **Ps=80[1-(Pt-Pmin)/Pmin]**. **Ps** = Points scored for the price of the tender under consideration.

Pt = Price of tender under consideration; and
Pmin = Price of the lowest applicable tender.

b. Total of 20 points may be awarded to a tenderer as follows:

20 points: if the Bidder has more than 50% (fifty percent) by Black people, Women, or people with disabilities 0 Points: for 50% and below ownership by stipulated categories of persons.

The bid will be awarded to a bidder with the highest points on price and Preference Points on condition that they have met all phases of the evaluation criteria and complied with the tender requirements set out in the tender document. However, a contract may be awarded to a tenderer that did not score the highest points by section 2(1) of the PPPFA.

A maximum of 20 Points will be allocated for either of the specific goals in **Table 5**.

SPECIFIC GOALS	**80/20**
Women	5
People with disability	5
Youth (35 and below)	5
Location of enterprise (Province) B-BBEE status	2
B-BBEE status level contributors from level 1 to 2 which are QSE or EME	3
Total points for SPECIFIC GOALS	20

16.PROJECT MANAGEMENT AND ADMINISTRATION

PUCMA will supervise the project and manage administrative and contractual matters.

Throughout the project, the Project Management Team will consult in detail with relevant parties within PUCMA and other stakeholders.

17 ARRANGEMENTS FOR SUBMISSIONS OF PROPOSALS

Format of Proposal Documentation and Contact Persons

Submit separate Technical and Financial proposals in two (2) hard copies (Original and Copy). The Financial Proposal must be in a sealed envelope. Receipt of each submission will be acknowledged. Enquiries about any aspect of this Proposal invitation can be obtained from the following persons:

- Bidders are requested to provide a clear agreement regarding joint venture/consortia. Indicate the percentage involvement of each company in the joint venture agreement.

Table : Contact Persons

Project Manager	Deputy Project Manager	For Procurement Matters
Dr B.L Mdluli Tel: 031 336 2700 Cell: 0828878762 E-mail: mdlulib@dws.gov.za Address: Private Bag X 313 DURBAN 4000	Mr T. Mbokodo Tel: 012 336 8398 Cell:0635010278 E-mail:Mbokodot@dws.gov.za Address: Private Bag X 313 DURBAN 4000	Ms S. Ndaba Tel: 012 336 2707 Cell: 067 425 5331 E-mail:NdabaS@dws.gov.za Address: Private Bag X 313 DURBAN 4000

Deadline and Address for Submissions

Submit proposal documentation in accordance with Form SBD 1, "Invitation to Tender".

SBD1

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PONGOLA UMZIMKULU CATCHMENT MANAGEMENT AGENCY					
BID NUMBER:	PUCMA23PK	CLOSING DATE: 23 /11/2026		CLOSING TIME:	11:00
DESCRIPTION	Appointment of a Professional Service Provider (PSP) to Provide Support on water availability assessment within the Matigulu River System within the Kwazulu-Natal (KZN) Province				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

Address where the documents will be delivered:

303 Dr Pixley KaSeme Street Delta Towers Building (GROUND FLOOR) Tender Box

DURBAN 4001

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Ms. S NDABA	CONTACT PERSON	Dr. B.L Mdluli
TELEPHONE NUMBER	0674255331	TELEPHONE NUMBER	082 887 8762
FACSIMILE NUMBER	N/A	FACSIMILE NUMBER	
E-MAIL ADDRESS	Ndabas@dws.gov.za	E-MAIL ADDRESS	MdluliB@dws.gov.za

SUPPLIER INFORMATION

NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NU	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NU	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

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

1

PA

RT

B

TERMS AND CONDITIONS FOR BIDDING

1. **BID SUBMISSION:**

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. **TAX COMPLIANCE REQUIREMENTS**

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.

2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.6 WHERE NO TCS 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: .....

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: **PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.**

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder..... Bid number.....

Closing Time 11:00 ..... Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

- Required by: .....
- At: .....
- Brand and model .....
-
- Country of origin .....
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- Delivery: *Firm/not firm

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

*Delete if not applicable

SBD 3.2

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

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

$$Pa = (1-V)Pt\left(D1\frac{R1t}{R1o} + D2\frac{R2t}{R2o} + D3\frac{R3t}{R3o} + D4\frac{R4t}{R4o}\right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

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

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

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

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of his 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**

---

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.

2.3.1 If so, furnish particulars:

Name of company related to	CSD Registration number of the company related to

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

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.

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

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

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1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value to or below R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

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

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

(a) Price; and

(b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	**100**

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

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

2. DEFINITIONS

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

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

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

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

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

Table 1: Specific goals for the tender and points claimed are indicated per the table below.
(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Women	5	
People with disability	5	
Youth (35 and below)	5	
Location of enterprise (Province)	2	
B-BBEE status level contributors from level 1 to 2 which are QSE or EME	3	
Total points for SPECIFIC GOALS	**20**	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- ϒ Partnership/Joint Venture / Consortium
- ϒ One-person business/sole propriety
- ϒ Close corporation
- ϒ Public Company
- ϒ Personal Liability Company
- ϒ (Pty) Limited
- ϒ Non-Profit Company
- ϒ 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: .....
.....
.....
.....

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

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

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

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

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

8. Inspections, tests and analyses

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

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

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

33. National Industrial Participation (NIP) Programme

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