



**agriculture, land reform
& rural development**

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

**KWAZULU-NATAL PROVINCIAL SHARED SERVICE CENTRE PRIVATE BAG X 9132, PIETERMARITZBURG, 3200
270 Jabu Ndlovu Street, PIETERMARITZBURG, 3201 Tel: (033) 264 9500**

ENQUIRIES: Mr X Jalibane / Ms T Dlungwana

BID NO: SS-KZN 5/2/1 (6896) 3M

The Managing Director

.....
.....
.....

Dear Sir / Madam

THE APPOINTMENT OF A SERVICE PROVIDER FOR SITING, DRILLING, YIELD TESTING AND INSTALLATION OF WINDMILLS AND ASSOCIATED PIPELINES AND DRINKING TROUGHS FOR THE FORDOUN PROJECT IN THE UMGENI LOCAL MUNICIPALITY WITHIN THE UMGUNGUNDLOVU DISTRICT MUNICIPALITY IN THE PROVINCE OF KWAZULU-NATAL

1. Bid No.: **SS-KZN 5/2/1 (6896) 3M**
2. **Closing Date: 10 May 2024 at 11h00 Telkom time. quotations submitted after this date and time will not be accepted. Please note that vat vendors must include VAT at 15%.**
3. The conditions contained in Supply Chain Management (General Conditions and Procedures) and the attached SBD 1, SBD 4, SBD 6.1, terms of reference / specifications entity forms, as well as any other conditions accompanying this request are applicable. Documents are to be completed, signed and witnessed (this is of utmost importance) and submitted with your proposal. Proof of delegation of authority to sign the Bid documents must be included in your proposal.
4. If you are a shareholder or joint venture, it is essential that you indicate your percentage commission or profit before tax in order that the reasonableness of your bid price may be gauged. This information will be treated as strictly confidential. It is of utmost importance that the bidder should attach to the proposal, certified copies of shareholders certificates and identity documents.
(Include the relevant Central Supplier Database summary report and the Tax compliance status pin or valid tax clearance certificate)
5. Please contact **Mr Michael Sahle on 071 878 7866** for any technical queries related to the project.
6. All the documents accompanying this bid invitation must please be completed in detail where applicable and returned with your bid. Email copies will not be accepted. The use of correction fluid on the bid document is prohibited.
7. The appointed service provider will be required to sign a contract at the KwaZulu-Natal Provincial Shared Service Centre at 270 Jabu Ndlovu Street, Pietermaritzburg before the commencement of the project. Provision must be made for this compulsory meeting.
8. Please ensure that your bid reaches this office before closing time.
9. When submitting your bid the following information must appear on the sealed envelope:
Name and address of the bidder
Bid number
Closing date
10. All bids/quotations are to be numbered and initialled and sent for the attention of the Procurement Section and placed in the bid box on the first floor at 270 Jabu Ndlovu (Loop) Street, Pietermaritzburg **OR** if posted, place the aforementioned envelope in a covering envelope addressed as follows:
Bids, Department of Agriculture, Land Reform and Rural Development, Private Bag X9132, Pietermaritzburg, 3200
11. The Department of Agriculture, Land Reform and Rural Development is not bound to accept the lowest or any quotation and reserves the right to accept any quotation or part thereof.

Kind regards

**DIRECTOR: FINANCE AND SUPPLY CHAIN MANAGEMENT, PSSC KZN
FOR DIRECTOR -GENERAL: DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
DATE: 06/05/2024**

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	5/2/1 (6896) 3M	CLOSING DATE:	10 MAY 2023	CLOSING TIME:	11h00am
DESCRIPTION	THE APPOINTMENT OF A SERVICE PROVIDER FOR SITING, DRILLING, YIELD TESTING AND INSTALLATION OF WINDMILLS AND ASSOCIATED PIPELINES AND DRINKING TROUGHS FOR THE FORDOUN PROJECT IN THE UMGENI LOCAL MUNICIPALITY WITHIN THE UMGUNGUNDLOVU DISTRICT MUNICIPALITY IN THE PROVINCE OF KWAZULU-NATAL				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
1 st Floor, 270 Jabu Ndlovu Street, Pietermaritzburg, 3200					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	XOLISANI JALIBANE		CONTACT PERSON	MICHAEL SAHLE	
TELEPHONE NUMBER	033 264 9545		TELEPHONE NUMBER	071 878 7866	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	xolisani@dalrrd.gov.za		E-MAIL ADDRESS	mbsahle@gmail.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? ☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

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 institution	State

- 2.2 Do you, or any person connected with the bidder, have a relationship

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.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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.

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

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

PRICE QUOTATION PROCESS (UP TO R 1 MILLION)

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

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

1. 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 tender 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;
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000); and
- (f) **“Historically Disadvantaged individuals”** means a person historically disadvantaged by unfair discrimination on the basis of race: Provided that a person historically disadvantaged on the basis of race refers to Africans, Coloureds, Indians and people of Chinese descent who are South African citizens by birth or descent; or who became citizens of the Republic of South Africa by Naturalisation -
 - Before 27 April 1994; or
 - On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date.

2. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

2.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

2.3 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.

2.4 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

- 2.5 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.
- 2.6 Tenderers that fail to claim points for specific goals or that fail to fully complete the table in paragraph 2.12 below, will not be awarded points for specific goals.
- 2.7 Tenderers that make a calculation error when claiming points as per the table in paragraph 2.12 below, will not be awarded points for specific goals. Please take note of the examples on how to calculate points for specific goals as per paragraph 2.12 below.
- 2.8 Tenderers that fail to submit the correct SBD 6.1 form as issued by the Department of Agriculture, Land Reform and Rural Development, will not be awarded points for specific goals.
- 2.9 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.

2.10 Tenderers who wish to claim points in terms of the table in paragraph 2.12 below need to provide proof for each point claimed as guided below:

2.10.1 Historically Disadvantaged individuals (HDI):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.2 Who is female:

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.3 Who has a disability:

- **Attach a certified copy or original doctor's letter confirming the disability.**

2.10.4 Who is youth (a person that is not older than 35 years on the closing date of a bid):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.11 The Department will use the Central Supplier Database and documents submitted by the tenderer to verify the points claimed for specific goals.

2.12 **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)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
I. HDI	10		
II. Who is female	5		
III. Who has a disability	2		
IV. Specific goal: Who is youth	3		

The number of points claimed for specific goals, are calculated as follow:

- (I) A maximum of 10 points may be allocated to tenderers who had no franchise in national elections before the 1983 and 1993 Constitution, on the following basis:
 - **Percentage ownership equity** x 10 ÷ 100 = number of points claimed.
- (II) A maximum of 5 points may be allocated for to tenderers who is female, on the following basis:
 - **Percentage ownership equity** x 5 ÷ 100 = number of points claimed.
- (III) A maximum of 2 points may be allocated to tenderers who has a disability, on the following basis:
 - **Percentage ownership equity** x 2 ÷ 100 = number of points claimed.
- (IV) A maximum of 3 points may be allocated to tenderers who are youth, on the following basis:
 - **Percentage ownership equity** x 3 ÷ 100 = number of points claimed.

2.13 It is important to note that failure by a tenderer to complete the table in paragraph 2.12 in full, will result in points for specific goals not to be allocated.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

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 points is allocated for price on the following basis:

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in the table in paragraph 2.12 above 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.

4.3 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their members, be entitled to claim points in respect of specific contract participation goals.

4.4 A tenderer will not be awarded points for HDI if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for the same number or more points for equity ownership.

4.5 A tenderer awarded a contract as a result of preference for contracting with, or providing equity ownership to a HDI, may not subcontract more than 25% of the value of the contract to a tenderer who is not a HDI or does not qualify for the same number or more preference for equity ownership.

5. SUB-CONTRACTING

- 5.1 Will any portion of the contract be sub-contracted?
(**Tick applicable box**)

YES		NO	
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- 5.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted: %
- ii) The name of the sub-contractor:
- iii) Points claimed for HDI by the sub-contractor:

6. DECLARATION WITH REGARD TO COMPANY/FIRM

- 6.1. Name of company/firm:

- 6.2. Company registration number:

- 6.3. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

- 6.4. 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:

.....



**agriculture, land reform
& rural development**

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

KWAZULU-NATAL SHARED SERVICE CENTRE

PRIVATE BAG X 9132, PIETERMARITZBURG 3200 • 270 Jabu Ndlovu Street, PIETERMARITZBURG, 3201 Tel.: (033) 264 9500 Fax: (033) 342 1991

TERMS OF REFERENCE TO REQUEST A QUOTATION FROM A SERVICE PROVIDER FOR SITING, DRILLING, YIELD TESTING AND INSTALLATION OF WINDMILLS AND ASSOCIATED PIPELINES AND DRINKING TROUGHS; FOR THE FORDOUN PROJECT IN THE UMNGENI LOCAL MUNICIPALITY WITHIN THE UMGUNGUNDLOVU DISTRICT MUNICIPALITY, KWAZULU-NATAL.

1. BACKGROUND

The purpose of this tender is to appoint a Service provider for siting, drilling, yield testing of a borehole/s and installation of a windmill and associated pipelines and cattle drinking troughs. The Service Provider may appoint a Hydro-geologist for siting and monitoring of drilling and testing; and a contractor for testing of the borehole.

2. SCOPE OF WORK

The scope of work of this contract includes:

- I. Siting, drilling and Yield testing of a borehole. Siting and supervision of drilling and yield testing should be done by a qualified Hydro-geologist.
- II. Installation of a submersible and Wind Mill pumps
- III. Installation of pipelines and drinking troughs.

3. COMPLETION PERIOD

It is expected that the Service Provider should be able to complete the work under this contract over a period of 6 weeks after receiving the official order. Time is however very much of the essence and service providers are encouraged to offer a reduced completion period, if they are capable and equipped to do so.

TERMS OF REFERENCE TO REQUEST A QUOTATION FROM A SERVICE PROVIDER FOR SITING, DRILLING, YIELD TESTING AND INSTALLATION OF WINDMILLS AND ASSOCIATED PIPELINES AND DRINKING TROUGHS; FOR THE FORDOUN PROJECT IN THE UMNGENI LOCAL MUNICIPALITY WITHIN THE UMGUNGUNDLOVU DISTRICT MUNICIPALITY, KWAZULU-NATAL.

4. EXPECTED DELIVERABLES

4.1 General Requirements

The scope of works of this contract includes the sighting, drilling and testing of a new borehole at the above mentioned location. This must be done according to the DWA minimum standards and guidelines for groundwater source development, 1st Edition.

Upon completion of the yield testing, the engineer will size the submersible pump and the windmill.

4.2 Equipment Required

The equipment made available by the Drilling Contractor and Testing contractor must be in good working order. It must also be maintained in good condition for the duration of the project. In order to achieve this, time should be set aside each week for the routine service and preventative maintenance of all equipment.

4.3 Labour

Where possible, it is expected that the service provider employs labour from the local community / farm on which the service is to be rendered for all non specialized works.

4.4 Completion Period

It is expected that the Service Provider should be able to complete the work under this contract over a period of six (6) weeks after receiving the official order. Time is however very much of the essence and service providers are encouraged to offer a reduced completion period, if they are capable and equipped to do so.

4.5 Reporting

The Service Provider must make available all drilling and testing results of a particular borehole within 3 days of its completion under this contract.

4.6 Drilling and Testing Supervision and Monitoring

The appointed Hydro-Geologists will carry out monitoring, supervision and evaluation of all the drilling and testing of borehole(s).

5 Drilling specifications

The following minimum drilling requirements, subject to the prescriptions of the appointed Hydro-Geologists / Engineer, are applicable.

Rotary air percussion is recommended. The final borehole diameter shall be 165mm (6,5") for the abstraction boreholes. The boreholes must be drilled and cased straight and vertical and all casings and liners shall be set round, plumb and true to line. Provision have been made for a drilling depth of 120 m per borehole.

Representative samples of the strata intersected shall be collected for every 1m drilled. The driller as indicated must complete a drilling report. The records required to be kept by the Service Provider are listed below:

Construction	Description	Supplied
Penetration log	An accurate record of the penetration rates achieved in minutes per 1m through the various strata.	Daily
Water Strikes	An accurate record of depths of water strikes.	Daily
Air-lift Yield	An accurate progressive report of air-lift yield when drilling or developing.	Daily
Construction Log	An accurate record of all quantities of material such as casing, slotted sections etc, and positions run into the holes.	On completion of each borehole.

The Consultant (appointed Hydro-Geologists) on site will log the samples and the following shall be noted as appropriate:

- Lithology (including grain size, colour etc.)
- Weathering and hardness
- Fracturing
- Filling of fractures
- Presence of iron staining
- Presence of sulphide (eg. pyrite)
- Soft material will be logged in accordance to the MCCSSO (moisture, colour, consistency, structure, soil type and origin, where possible and approximate grain size)

TERMS OF REFERENCE TO REQUEST A QUOTATION FROM A SERVICE PROVIDER FOR SITING, DRILLING, YIELD TESTING AND INSTALLATION OF WINDMILLS AND ASSOCIATED PIPELINES AND DRINKING TROUGHS; FOR THE FORDOUN PROJECT IN THE UMNGENI LOCAL MUNICIPALITY WITHIN THE UMGUNGUNDLOVU DISTRICT MUNICIPALITY, KWAZULU-NATAL.

The depth of water strikes; areas of caving and hole erosion, borehole diameter and the water level after drilling will also be noted.

An accurate record of the penetration rates achieved in minutes/m through the various strata will be kept for the entire length of the hole.

During drilling and development a 90o V-notch flow measurement device shall be permanently set up level and vertical in the drain line in a manner approved by the Consultant, so that continuous monitoring of air lift yield can be obtained. Average yields (in L/s) shall be read and noted at every water strike and at every rod change and recorded on the borehole log. Care shall be taken to ensure that no floating debris impedes the flow of water over the V-notch. The weir shall be kept clear of a build-up of silt at all times.

On completion of drilling, the borehole shall be developed to a maximum yield of water, free of suspended materials. Development will be carried out over the water strike by water jetting, surging, or Limpopo Department of Agriculture Engineers may approve other standard techniques as needed. The duration of the development shall be from 1 to 2 hours or until the appointed Hydro-Geologists / Engineer is satisfied that the boreholes is clear of suspended materials.

5.1 Construction

The appointed Hydro-Geologists / Engineer will supervise the construction of the boreholes for the entire duration of the installation.

Table 1: Provisional specifications for materials (to be verified and recommended by appointed Hydro-Geologists / Engineer on site)

Unit	Specifications
Drilling	Air percussion drilling. In hard rock environments 6.5" drilling and 8" reaming to desired depth. In alluvial environments 10" odex drilling up to hard rock.
Casing – Steel (6 meter lengths)	Plain beveled edge, 165mm (6.5") ID, 4mm wall thickness. Factory slotted (3-4mm wide) beveled edge steel casing 165mm (6.5") ID, 4mm wall thickness.
Gravel	Clean, coarse, well sorted and rounded silica gravel (1.2mm to 2.4mm) to be placed 1m below and 1m above the slotted section.(uPVC and Johnsonn screens) Clean, coarse, silica gravel (5mm to 8mm) to be placed 1m below and 1m above-perforated steel sections.
Backfill	As specified by Consultant on site.
Sanitary seal	The sanitary seal must consist of Portland cement mixed to slurry with bentonite and water. The bentonite and water should be thoroughly mixed in the ratio of 2kg bentonite to 25 L water prior to adding and mixing in 50kg (one bag) cement. The final grout seal must extend to a depth of at least 3m below ground surface, founded on the backfilling.

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Unit	Specifications
Borehole Cap and concrete collar	Each abstraction borehole will be set in a concrete block (1m x 1m x 0.5m) with approved steel, vandal-proof but accessible lockable cover and the cap +/- 0.5m above ground.
Marking pole	Each borehole will be marked permanently in a legible manner by welding or punching a number in the borehole cap and borehole casing. In addition, each borehole position shall be marked with a 2m steel pole and marker plate, set vertically into concrete adjacent to the borehole collar so that a minimum length of 1,5m is visible above the ground level. Borehole numbers for each borehole will be supplied by consultant.

5.2 Abstraction boreholes

The borehole shall be equipped with 165mm ID, steel casing with slotted sections across the water strike areas as if required.

Gravel packing (1.2mm-2, 4mm for uPVC casing)(5mm to 8mm for steel casing) will be placed adjacent to and 1m above and below the slotted section of each casing. The remainder of the hole will be backfilled. The Engineer will check the size of the slots in the slotted casing and should be machine slotted or laser slotted, only.

All gravel packing; sand and bentonite will be trimmed to the correct depth to avoid bridging of materials in the borehole and to ensure proper sealing and construction. Specifications for materials as in Table 1 above.

A 3m sanitary seal comprising cement and/or bentonite will be installed around the top of the borehole.

A concrete collar will be installed for each borehole. The borehole will be set in a concrete block (1.0m by 1m by 0,5m) with approved steel, vandal-proof but accessible lockable cover and the cap +/- 0,5m above the ground.

Each borehole will be marked permanently in a legible manner by welding or punching a number in the borehole cap and borehole casing. The Engineer will supply this number to the Contractor. In addition, each borehole position shall be marked with a 2m steel pole and marker plate, set vertically into concrete adjacent to the borehole collar so that a minimum length of 1,5m is visible above the ground level.

The construction of the boreholes will be determined by the appointed Hydro-Geologists Consultant on site and be recorded for inclusion in the borehole log.

The area around the borehole must be left as clean as tidy as possible.

5.3 General

The appointed Hydro-Geologists / Engineer will ensure, in conjunction with the contractor, that no contamination or sealing of backfill material occurs during storage. The appointed Hydro-Geologists / Engineer will inspect and pass all sealing, filter and backfill material before installation. The appointed Hydro-Geologists / Engineer shall have the right to reject any, or all, drilling, casing or materials which fail to meet the above specifications and work and casing rejected will be replaced at the Contractors expense.

Payments for materials will be per linear meter of consumables installed in the boreholes to the required specification, i.e. steel casing (plain, slotted), uPVC casing (slotted), bentonite, sand, gravel pack and cement. Payment will be per collar and cap constructed and fitted to the satisfaction of the appointed Hydro-Geologists / Engineer. The quantities will thus need to be recorded accurately by the appointed Hydro-Geologists / Engineer on site to verify contractor invoices.

During the contract period when work is not in progress, the boreholes shall be kept capped in such a manner as to prevent the entrance of foreign material. The contractor shall remove any foreign matter at his own expense.

5.4 Abandonment

The appointed Hydro-Geologists / Engineer shall have the right, at any time during the progress of the work, to order the abandonment of a borehole. The Contractor shall thereupon, withdraw the casing and screens, if applicable, and salvage or attempt to salvage all such materials as the appointed Hydro-Geologists / Engineer may direct and shall backfill and stone plug or leave the borehole to the satisfaction of the appointed Hydro-Geologists / Engineer.

5.5 Lost Borehole

Should rig breakdowns, jamming of the tools or casing, or any other cause prevent the satisfactory completion of the works, the borehole shall be deemed to be lost and no payment shall be made for that borehole nor for any materials not recovered there from, nor at any time.

Any material, which is not recovered from the lost borehole in good condition, may be at the Contractor's expense, and may be deducted from the Contractor's payment.

In the event of a lost borehole, the contractor shall construct a borehole adjacent to the lost borehole or at any alternative site indicated by the appointed Hydro-Geologists / Engineer. The option of declaring any borehole lost shall rest with the Contractor subject to agreement by the appointed Hydro-Geologists / Engineer.

If the appointed Hydro-Geologists / Engineer directs that the borehole be re-drilled close to the lost borehole and the Contractor is concerned regarding the possible loss of air or other media, the Contractor shall backfill the lost borehole with the approved material.

An accurate record of all quantities of material such as casing, slotted sections etc, and positions run into the holes should be kept for the appointed Hydro-Geologists / Engineer reference.

5.6 Standing time

The standing time rate is to cover only those periods when the rig and crew are idle waiting on instructions from the appointed Hydro-Geologists / Engineer, where those instructions or whose presence is required before the next phase of work can be executed, Payment under this item will only be considered if the Contractor has given at least 12 hours notice to the appointed Hydro-Geologists / Engineer that the instructions will be required for the continuation of work Measurement will be made of the actual time spent waiting and recorded in the daily log.

6 TECHNICAL SPECIFICATION FOR THE TEST PUMPING OF ABSTRACTION BOREHOLES

i. Borehole specifications

The following minimum yield testing requirements, equipment and materials and subject to the prescriptions of the appointed Hydro-Geologists / Engineer, are applicable.

Diameter of boreholes is mainly 165mm with yield ranging from 0.5 l/s to 20 l/s. The test pumping will include four one-hour step tests followed by a 24-hour constant rate test and 24-hour recovery test (or to 90% recovery). All boreholes are newly drilled boreholes and the yield will be known for each borehole. The appointed Hydro-geologists / Engineer will advise the contractor at what rate the step test and constant discharge test should be done.

ii. Equipment and Materials

This represents the test unit and all ancillary equipment and materials needed to accurately and efficiently perform borehole testing. Details are provided as follows.

(a) Test Unit

The test unit must comprise of a positive displacement (PD) type pump element and a pump head driven by a motor fitted with an accelerator, gearbox and clutch. The unit must be in good working order and capable of maintaining a minimum of 72 hours of continuous operation. The unit must be capable of delivering water at a rate in excess of the expected maximum yield of the borehole to be tested. (1.5m³/h up to 100m³/h)

(b) Discharge Piping

This comprises both the pipe (rising main or pump column), which brings the water to surface, and the pipe (discharge hose) used to lead the pumped water away from the borehole being tested. The Testing Contractor must supply

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sufficient rising main to set the test pump at a depth of at least 100 m below the surface. It may, however, be required under certain circumstances to set the test pump at a greater depth in the borehole. This possibility must be identified prior to the compilation of the enquiry document in which tenders for test pumping services are requested and, if required, must be communicated to prospective tenderers in this document. The pump column must be of uniform diameter throughout. The contractor must also provide discharge piping in the amount of at least 50 m. This must be free of leaks for its entire length. It may again, under certain circumstances, be required to discharge the pumped water at a point further away than 50 m (possibly in excess of 300 m) from the borehole being tested. In such instances, a similar procedure to that discussed above in regard to the rising main must be followed.

(c) **Discharge Measuring Equipment/Instrumentation**

This must be adequate to accurately measure the pumping rate within the range of yields expected from successful project boreholes. If volumetric methods are used, a stopwatch for measuring time to an accuracy of at least one-tenth of a second is required. The full capacity of each container must be determined accurately. The contractor must also ensure that a container stands level when it is being used for discharge measurements. Guidelines regarding the use of different size containers for volumetric discharge rate measurements in specific yield ranges are given in the Table below. Other acceptable methods of discharge measuring are: (1) an orifice weir and (2) a flow meter. Their use is further subject to various application criteria.

iii. Use of orifice weirs

These must be installed in a horizontal position at the end of the discharge pipe. The orifice plate opening must be sharp, clean, bevelled to 45 degrees and have a diameter less than 80 percent of the diameter of the approach tube to which it is fixed. The orifice plate must be vertical and center on the end of the approach tube. There must be no leakage around the perimeter of the orifice plate mounting. The piezometer tube must not contain entrained air bubbles at the time of pressure head measurement. The latter measurement must be at least three times the diameter of the orifice.

Yield range vs. container size for volumetric measurements	
YIELD RANGE	CONTAINER SIZE
Less than 2 l/s	20 l
2 l/s to 5 l/s	50 l
5 l/s to 20 l/s	210 l
20 l/s to 30 l/s	500 l
30 l/s to 50 l/s	1000 l
Greater than 50 l/s	Other suitable methods

The orifice weir equipment must be calibrated for various combinations of approach tube and orifice diameters so that pressure head readings can be converted to accurate discharge measurements.

iv. Use of flow meters

These must be calibrated and of similar diameter to that of the discharge pipe. The latter must be straight and of uniform diameter for a distance of four times the diameter of the pipe before the position of the meter. There must be no turbulent flow or entrained air in the discharge pipe before the meter. The discharged water must be free of solid material carried in suspension.

It is recognized that some water leakage will generally occur especially at the bore head during pumping. This is acceptable provided that: (1) such leakage does not interfere with any water level monitoring and (2) the total amount of leakage to the end of the discharge pipeline does not exceed one percent of the pumping rate as measured at the end of this pipeline.

1. Water Level Measuring Equipment/Instrumentation

The contractor must provide at least three water level measuring devices that are each capable of providing an accuracy of at least 0.01 m (10 mm) and are of sufficient length to match the pump installation depth. If upgraded electrical contact meters (dipmeters) are used for this purpose, each such instrument must be equipped with a measuring tape of an acceptable length and approved standard and which is graduated to an accuracy of at least 0.01 m (10 mm). These instruments must be in good working order and number at least one spare for each two on site. Circumstances where the project

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may require the use of more than three such instruments must be identified prior to the circulation of the enquiry document in which tenders for test pumping services are requested and, if required, must be communicated to prospective tenderer in this document.

The contractor must further provide conduit tubing of sufficient length to match the pump installation depth. The diameter of this tube must be large enough (minimum 15 mm) to allow free movement of the diameter probe and cable therein. The tubing must be made of material strong enough to withstand reasonable pressure on its sidewall, which might cause a constriction. The tube must be open at its lower end to allow the free entrance of water into the tube. This is facilitated by perforating the bottom section of the conduit tube sidewall. Precautions should also be taken to prevent the dip meter probe from passing beyond the bottom end of the conduit tube and, as a result of entanglement, not able to be withdrawn.

2. Other Materials

No pumping test should commence without field data sheets on which to record all data and information relevant to the test pumping activities in an acceptable format. These can either be provided by the contractor or the Hydro geological consultant. The contractor must also provide backup measuring equipment and instrumentation which is immediately available to replace any similar item which may become damaged or broken during the course of the test such that measurements are no longer accurate or reliable. The Hydro geological consultant will have the right to reject, with motivation, any equipment or material which is deemed inappropriate, substandard or otherwise unsuitable for the project.

7 Safety

Safety regulations will be in accordance with the South African Occupational Health and Safety Act, Act no. 85 of 1993. It is the service provider's responsibility to read and understand the documents before entering any site.

Safety is of prime importance on the site with respect to the workers and to the local community. Any failure to comply with safety standards according to the Act and any additional local safety requirements, which will be communicated to the Service Provider, will lead to suspension of work until the safety requirements are met. All such delays will be at the Service Provider's cost.

The service provider will also adhere to the following safety procedures:

- The service provider will follow all health and safety requirements specified by the South African Occupational Health and Safety Act, Act No. 85 of 1993
- Personal Protective Equipment (PPE) will be worn by all employees, service providers,

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- contractors and consultants
- All drivers will be in possession of a valid drivers license
 - All speed limits must be adhered to
 - Consumption of alcohol on site is prohibited
 - Protective welding glasses will be worn when welding takes place

8. Mandatory Requirements:

The following should be submitted with the proposal:

1. A submission of a work programme clearly indicating that the work will be completed within the specified time frame of six(6) weeks.
2. Qualifications, certificates and CV of the registered Geo hydrologist professional

Failure to submit the above mandatory requirements will result in disqualification.

ENQUIRIES AND CLOSING DATE

Enquiries in connection with this request for proposal should be directed to:

Contact Person: MB SAHLE

Mobile No: 071 878 7866

Signature :

NB: NO LATE SUBMISSIONS WILL BE ACCEPTED

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ITEM NO	PAYMENT CLAUSE	DESCRIPTION	UNIT	QUANTITY	RATE	AMOUNT
3		<u>SECTION 3 : PIPELINES</u>				
3.1	SANS 1200DB	<u>PIPE TRENCH</u>				
3.1.1	8.3.1	Site clearance a) Clear vegetation and trees of girth up to 1 m	m	600		
3.1.2	8.3.2	Excavations in all materials for trenches to a 1.0 m depth and a base width of 600mm, backfill, compact (compaction to minimum required standard) and dispose of surplus material.	m	600		
3.1.3	8.3.2	Extra -over item 3.1.2 above for a) Intermediate excavation b) Hard rock excavation c) Excavate and dispose of unsuitable material from trench bottom(Provisional)	m ³ m ³ m ³	10 10 50		
3.2	SANS 1200L	<u>MEDIUM PRESSURE PIPELINES</u>				
3.2.1	8.2.1	HDPE Pressure Pipes and Fittings Supply, lay, Joint, bed, test and disinfect the following HDPE pressure pipe complete with couplings. a) 50 mm diameter Class 4 (Type IV) for supply line to the drinking troughs at the feeding and hospital pens.	m	600		
3.2.2		Supply,deliver, and install 5000 L SABS approved water tank (Jojo or equivalent)complete with all connecting pipes, valves and fittings.	No	2		
3.2.3		Supply,deliver, and install 5000 L SABS approved water tank (Jojo or equivalent)complete with all connecting pipes, valves and fittings.	No	0		
3.3	SANS 1200GA 8.4.3	<u>CONCRETE SMALL WORKS</u> Concrete strength of 25MPa/19mm a) Concrete 150 mm platform for item 3.2.2 above founded at 100 mm below NGL(inclusive of excavation). Founding ground to be compacted to minimum required standard. b) Ref 193	m ³ m ²	15 50		
3.4		<u>Water trough</u> Pre-fabricated concrete precast cattle drinking trough complete with the float valve, fittings and lids to the approximate volume of 490 L. Rocla or equivalent	sum	3		
3.4.1		25MPa/19mm concrete for the drinking trough trough apron (100 mm thick concrete apron)	m ³	5		
3.4.3		6m high steel tank stand with concrete footings. Engineer's design certificate to be provided by a registered Enginner for the tank Stand	No	2		
SUB TOTAL SECTION 3 CARRIED TO SUMMARY						0

SUMMARY		
	DESCRIPTION	AMOUNT
1	Drilling of the borehole	
2	WIND MILL	
3	Water reticulation	
	Sub Total	
	10% Contingencies	
	Sub Total	
	Add 15 % VAT	
	Total Carried over to Form of Offer	

BAS

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LOGIS

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Office

System User Only	
Captured By:	
Captured Date:	
Authorised By:	
Date Authorised:	
Safety Web Verification	
☐ YES	☐ NO

The Director General: Department of Agriculture, Land Reform and Rural Development

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that not additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days' notice by prepaid registered post. Please ensure information is valid as per required bank screens.

I/We understand that bank details provided should be exactly as per the records held by the bank.

I/We understand that the Department will not assume responsibly for any delayed payments, as a result of incorrect information supplied.

Company / Personal Details	
Registered Name	
Trading Name	
Tax number	
Vat Number	
Title	
Initials	
First Name	
Surname	

Address Detail	
Postal Address Line 1	
Postal Address Line 2	
Physical Address Line 1	
Physical Address Line 2	
Postal Code	

New Detail			
☐ New Supplier Information	☐ Update Supplier Information		
Supplier Type	☐ Individual	☐ Department	Department Number
	☐ Company	☐ Trust	
	☐ CC	☐ Other	Other Specify
	☐ Partnership		

Supplier Account Details

(This field is compulsory and should be completed by a bank official from the relevant bank).

Account Name			
Account Number			
Branch Name			
Branch Number			
Account Type	☐ Cheque Account ☐ Savings Account ☐ Transmission Account ☐ Bond Account ☐ Other (Please Specify)		
ID Number			
Passport Number			
Company Registration Number			
*CC Registration			
* Please include CC/CK where applicable			
Practise Number			
When the bank stamps this entity maintenance form or provides an electronic bank stamp/letter attached to the entity maintenance form they confirm that all the information completed by the entity is correct.	Bank stamp It is hereby confirmed that this details have been verified against the following screens ABSA -CIF screen FNB -Hogans system on the CIS4 STD Bank-Look-up-screen Nedbank - Banking Platform under the Client Details Tab		

Contact Details

	<i>Area Code</i>	<i>Telephone Number</i>	<i>Extension</i>
Business			
	<i>Area Code</i>	<i>Telephone Number</i>	<i>Extension</i>
Home			
	<i>Area Code</i>	<i>Telephone Number</i>	
Fax			
Cell			
	<i>Cell Code</i>	<i>Cell Number</i>	
E-mail Address			

Contact Person	Supplier details	Departmental sender details	Address of Agriculture, Land Reform and Rural Development Office where form is submitted from:
Signature			
Print Name			
Rank			
Date (dd/mm/yyyy)			

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of

origin and which have the potential to harm the local industries in the RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance,

training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights

arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual

- for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s)

within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities

or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

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

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country. 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation (NIP) Programme	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging). 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)