



Request for Proposals for the Appointment of a Travel Management Company to Provide Travel Management Services to the Universal Services and Access Agency of South Africa (USAASA) for a period of three (03) months.

1. INTRODUCTION

The purpose of this Terms of Reference (TOR) is to appoint a qualified and experienced Travel Management Company (TMC) to provide comprehensive travel services, including automated self-service booking for accommodation, car hire, flights, shuttle services and ride-hailing services. The appointed TMC must provide a secure and efficient system that facilitates all travel arrangements and provide detailed reporting on travel activities

2. BACKGROUND

- 2.1 The Universal Service and Access Agency of South Africa ("the Agency") is established in terms of Section 80 of the Electronic Communications Act Number 36 of 2005 ("the ECA") as a statutory body with a sole mandate of promoting the goal of universal access and universal service to electronic communications network services ("ECNS"), electronic communications services ("ECS") and Broadcasting Services ("BS").

3. SCOPE OF SERVICES

3.1 Core Travel Services

- **Flights:** Domestic, Regional, and International.
- **Accommodation:** Hotels, Guesthouses, and B&Bs.
- **Car Hire:** Short-term and long-term vehicle rentals.
- **Shuttle Services:** Including airport transfers.
- **Conference Booking Services:** securing conference rooms and catering
- **Ancillary Travel Services:** Facilitate Visa application appointments, Travel insurance, forex assistance, parking, and lounge access, concierge services (when required)

3.2 System & Technology Requirements

The online booking system must:

- Automated self-service bookings for flights, accommodation, car hire, and shuttle services.
- Allow for self-booking amendments and cancellations.
- Provide real-time access to travel options and pricing (real-time availability checks and confirmations).

- Integrate with company credit card for seamless payments.
- Include an approval workflow to enforce compliance with USAASA's travel policies.
- Approval workflows for travel authorisation.
- Offer a mobile-friendly user interface.

3.3 Reporting & Data Analytics

The system must generate weekly, monthly, and quarterly reports with insights on:

- **Traveler-based reports:** Details of individual employees' travel history.
- **Service-based reports:** Breakdown by service type (flights, accommodation, car hire, etc.).
- **Unused bookings reports:** Tracking unused reservations for cost recovery. (tracking for refunds).
- **Cancellation reports:** Identifying trends in cancellations and cost analysis
- **Expense tracking** per traveller, department, and service category.
- **Periodic reports:** Weekly, monthly, and quarterly reporting formats.

3.4 Compliance & Risk Management

- Automated policy enforcement to ensure adherence to travel policies: The system must ensure adherence to USAASA's travel policies.
- Real-time travel alerts and notifications for risk management.

Secure storage and handling of traveller data/information

3.4 SERVICE LEVEL AGREEMENT (SLA)

The selected TMC must ensure:

- 24/7 customer support for travellers.
- Timely issuance of tickets and confirmations.
- Efficient resolution of complaints and service failures.

Compliance with negotiated rates and corporate agreements

3.5 FINANCIAL & PAYMENT PROCESSING

- The system must process payments via company credit card.
- The TMC must consolidate all invoices for direct submission to the finance department.

The system should allow tracking of travel expenditure per traveller,
department, and service type

4. SUBMISSION OF PROPOSALS

- 4.1. Bid documents must be submitted to SCM@usaasa.org.za

5. DURATION OF THE CONTRACT

The successful bidder/bidders will be appointed for a period of three (3) months, as and when required.

5.1.1. RESERVATION

The Travel Management Company will:

- a. Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the approved purchased order (PO), the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via SMS and e-mail or travel APP.
- b. always ensure that the third-party supplier is issued with a correct voucher for all bookings and bookings are confirmed accurately.
- c. always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel booker.
- d. apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.
- e. must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- f. book parking facilities at the airports where required for the duration of the travel.
- g. respond timely and process all queries, requests, changes and cancellations timeously and accurately.
- h. Must be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)
- i. must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
- j. advise the traveller of all visa and inoculation requirements well in advance.

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- k. assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- l. note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.
- m. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- n. Negotiated airline fares, accommodation establishment rates, car rental rates, etc. that are negotiated directly or established by National Treasury are **non-commissionable**, where commissions are earned for USAASA bookings all these commissions should be returned to USAASA on a quarterly basis.
- o. Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by USAASA.
- p. Timeous (within 14 of travel days of travel) submission of proof that services have been satisfactorily delivered (invoices) as per USAASA's instructions.
- q. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.
- r. A dedicated consultant/s must be available to assist VIP/Executive Travellers.

5.1.2. AIR TRAVEL

- a. The TMC must be able to book full-service carriers as well as low cost carriers, unless otherwise stated.
- b. The TMC will book the most cost-effective airfares possible for domestic travel, unless otherwise stated.
- c. For international flights, the airline which provides the most cost effective and practical routings may be used.
- d. The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- e. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- f. Airline tickets must be delivered electronically (SMS and email format) to the traveller(s) and travel bookers promptly after booking before the departure times.
- g. The TMC will also assist with the booking of charters for VIPs utilising the National Treasury cost containment measures where applicable.

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- h. The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management monthly.
- i. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.
- j. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- k. Assist with lounge access if and when required for regional and international trips.

5.1.3. ACCOMODATION

- a. The TMC will obtain price comparisons within the maximum allowable rate and grading matrix as per the cost containment instruction of the National Treasury, USAASA SCM Policy and USAASA Travel Policy.
- b. The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and grading as prescribed by National Treasury from time to time and that is located as close as possible to the venue or office or location or destination of the traveller through travel IT Portal.
- c. This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with USAASA's travel policy and National Treasury guidelines.
- d. USAASA's travellers may only stay at accommodation establishments where there are National Treasury negotiated Government rates as stipulated in the written directives issued from time to time by National Treasury. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will have to source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury.
- e. Accommodation vouchers must be issued via SMS and email or travel APP to all USAASA travellers for accommodation bookings and must be invoiced to USAASA as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges which must be signed by the traveller.
- f. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.

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- g. Communicated cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

5.1.4. CAR RENTAL AND SHUTTLE SERVICES

- a. Where possible the TMC must obtain price comparisons for the requested vehicle category as per the cost containment instruction of the National Treasury, USAASA SCM Policy and USAASA Travel Policy.
- b. The TMC will book the approved category vehicle in accordance with USAASA'S Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).
- c. The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- d. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.
- e. For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.
- f. The TMC will book transfers in line with USAASA's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- g. The TMC should manage shuttle companies on behalf of USAASA and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.

5.1.5. After Hours and Emergency Services

- a. The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.
- b. A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.
- c. After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 08h00) and twenty-four (24) hours on weekends and Public Holidays.
- d. A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

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- e. The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

5.2. COMMUNICATIONS

- 5.2.1. The TMC may be requested to conduct workshops and training sessions for Travellers and Travel Bookers of USAASA.
- 5.2.2. All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.
- 5.2.3. The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, travel management company in one smooth continuous workflow.

5.3. FINANCIAL MANAGEMENT

- 5.3.1. The TMC must implement the rates established by the National Treasury with travel service providers (third party) or the discounted air fares, or the maximum allowable rates.
- 5.3.2. The TMC will be responsible to manage the service provider (third party) accounts. This will include the timely receipt of invoices to be presented to USAASA for payment within the agreed time period.
- 5.3.3. Enable savings on total annual travel expenditure and this must be reported and proof provided during monthly and quarterly reviews.
- 5.3.4. The TMC will be required to offer a 30-day bill-back account facility to USAASA should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices USAASA for the services rendered.
- 5.3.5. Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- 5.3.6. Consolidate Travel Supplier bill-back invoices.
- 5.3.7. The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to USAASA's Finance Division on the agreed time period (e.g. bi-monthly). This includes attaching the Travel Authorisation and Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
- 5.3.8. Invoices must be verified and reconciled before sending them to USAASA. Invoices with queries must not be sent to USAASA until they have been resolved by the TMC with the supplier.

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5.3.9. Invoices must be provided on a weekly basis.

5.3.10. Ensure Travel Supplier accounts are settled timeously.

5.4. Technology, Management Information and Reporting

5.4.1. The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.

5.4.2. The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.

5.4.3. All management information and data input must be accurate.

5.4.4. Containment Instructions reporting template requirements at no cost.

5.4.5. Reports must be accurate and be provided as per USAASA's specific requirements at the agreed time in line with National Treasury's cost containment reporting. Information must be available on a transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).

5.4.6. USAASA may request the TMC to provide additional management reports.

5.4.7. Reports must be available in an electronic format for example Microsoft Excel.

5.4.8. Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

i. Travel

- a) After hours' Report;
- b) Compliments and complaints;
- c) Disputes relating to invoices;
- d) Consultant Productivity Report;
- e) Long term accommodation and car rental;
- f) Extension of business travel to include leisure;
- g) Upgrade of class of travel (air, accommodation and ground transportation);
- h) Bookings outside Travel Policy.

ii. Finance

- a) Reconciliation of commissions/rebates or any volume driven incentives;
- b) Creditor's ageing report;

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- c) Creditor's summary payments;
- d) Daily invoices;
- e) No show report;
- f) After-hours report;
- g) Cancellation report;
- h) Receipt delivery report;
- i) Refund Log;
- j) Open voucher report, and
- k) Open Age Invoice Analysis.

5.4.9. The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

5.5. ACCOUNT MANAGEMENT

5.5.1. An Account Management structure should be put in place to respond to the needs and requirements of USAASA and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.

5.5.2. The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of USAASA's account.

5.5.3. The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.

5.5.4. A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

5.5.5. Ensure that USAASA's SCM Policy, USAASA Travel Policy and National Treasury guidelines is enforced.

5.5.6. The Service Level Agreement (SLA) must be managed by USAASA and the TMC and the TMC must conduct customer satisfaction surveys quarterly to measure their performance and submit a report to USAASA.

5.5.7. Ensure that workshops/training is provided to Travellers and/or Travel Bookers.

5.5.8. During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

5.6. VALUE ADDED SERVICE FEE

The TMC must provide the following value added services:

5.6.1. Destination information for regional and international destinations, including domestic where applicable:

- i. Health warnings;

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- ii. Weather forecasts;
- iii. Places of interest;
- iv. Visa information;
- v. Travel alerts;
- vi. Location and grading of hotels and restaurants;
- vii. Information including the cost of public transport;
- viii. Rules and procedures of the airports;
- ix. Business etiquette specific to the country;
- x. Airline baggage policy; and
- xi. Supplier updates

5.6.2. Electronic voucher retrieval via web and smart phones;

5.6.3. Travel audits;

5.6.4. Global Travel Risk Management;

5.6.5. VIP services for Executives that include, but is not limited to check-in support.

5.7. COST MANAGEMENT

5.7.1. The National Treasury cost containment initiative and USAASA's Travel Policy is establishing a basis for a cost savings culture.

5.7.2. It is the obligation of the TMC Consultant to advise on the most cost effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.

5.7.3. The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.

5.7.4. The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with USAASA's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

5.8. Travel Reviews

5.8.1. Monthly reviews are required to be presented by the Travel Management Company on all USAASA travel activity in the previous month as part of the performance management reviews based on the service levels.

5.9. Office Management

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5.9.1. The TMC to ensure high quality service to be delivered at all times to USAASA's travellers. The TMC is required to provide USAASA with highly skilled and qualified human resources of the following roles but not limited to:

- a. Senior Consultants
- b. Intermediate Consultants
- c. Junior Consultants – Under guidance of senior Consultant
- d. Travel Manager (Operational)
- e. Finance Manager / Branch Accountant
- f. Admin Back Office (Creditors / Debtors/Finance Processors)
- g. Account Manager

6. PRICING MODEL

USAASA requires bidders to propose on the transactional fee model.

6.1. Transaction Fees

Refer Annexure A3: Pricing Schedule

6.1.1.

- i. Online and Off-site traditional booking **Template 1 of Annexure 3 (Pricing Schedule)**

6.2. Volume driven incentives

6.2.1. It is important for bidders to note the following when determining the pricing:

- i. National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;

7. EVALUATION AND SELECTION CRITERIA

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

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Mandatory Requirements (Stage 1)	Functionality (Stage 2)
Bidders must submit all mandatory documents and failure to submit such, will result to disqualification and will not proceed to the second stage of evaluation.	Only bidder(s) who achieved 70 points in will be evaluated for price and preference points.

7.1. Pre-qualification Criteria / Mandatory requirements

Without limiting the generality of USAASA's other critical requirements for this Bid, bidder(s) must submit the documents listed in **Table 1** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase the Bidders' responses will be evaluated based on compliance with the listed mandatory bid requirements. The bidder(s) proposal will be disqualified for non-submission of any of the documents.

The bidder(s) proposal will be disqualified for non-submission of any of the mandatory requirements.

Table 1: Mandatory Documents that must be submitted for Pre-qualification (Stage 1).

Document that must be submitted	Non-submission will result in disqualification?
IATA and ASATA Licence / Certificate	Bidders are required to submit their valid International Air Transport Association (IATA) and Association of South African Travel Agents (ASATA) license/ certificate (certified copy) at closing date. No third-party certificates will be accepted.
Completed and Signed SBD 4	
Completed and Signed SBD 6.1	
Signed Terms of Reference Document	
Initialed General Condition of Contract	
Proof of registration on the Central Supplier Database (CSD)	
Proof of 24-hour emergency call centre (e.g. call reports or invoices)	

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Valid BBBEE Certificate/ Sworn Affidavit	
CIPC registration certificate	

17.2 Stage 2: Technical Evaluation Criteria = 100 points

Company experience and staff competence will be measured as follows:

Values ranging from 1 – poor, 2 – average, 3 – good, 4 – very good and 5 – excellent, will apply.

CRITERIA				WEIGHTS
<p>Bidders must submit written comprehensive proposals which sufficiently demonstrate their capacity and capability to effectively manage the services by submitting a comprehensive written proposal covering the relevant service areas. The following service areas should be clearly outlined:</p> <ul style="list-style-type: none"> • Booking of local and international accommodation • Utilising Travel IT portal • Booking of local and international flights • Ordering of FOREX • Conferencing and venue bookings • Shuttles and Car hire • Billing process, invoicing turnaround time and account reconciliation • Air tickets refunds • Accidents Reporting • Traffic fines Reporting • Afterhours • Booking Cancellations and no shows • Complaints handling mechanism, and • Any other service areas <p>Bidders will score points for clearly outlining the process, implementation or application of the above service areas.</p>				35
0 to 5 service areas	6 to 11 service areas	12 service areas	13 to 15 service areas	16 or more service areas
1	2	3	4	5

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<p>The lead service provider must draw a structure of the team to be allocated to USAASA in order to indicate the readiness of the company to resume work in terms of numbers of resources allocated and their titles /responsibilities. The TMC must provide details of staff (short resumes) that will be allocated to USAASA.</p> <p>The allocated resources should have experience on booking procedures, administrative processes, customer service, complaint handling procedures, reconciliation of accounts and ability to render services under tight timelines (e.g. after-hours service, changes, cancellation etc.)</p> <p>The short resumes provided must be aligned to the proposed structure of the team to be allocated to USAASA. The experience of the team will be averaged.</p>					35
0-1 year	2-3years	4-5years	6-7years	8 years+	
1	2	3	4	5	
<p>Experience and proven track record in the field of travel, accommodation and organizing of conferences. The TMCs are required to submit appointment letters accompanied by the reference letters that are signed off by the Chief Financial Officer or Programme Manager or any other delegated official on letterheads from contactable clients (work done should indicate start and end dates).</p> <p>NB. Appointment letters must be accompanied by reference letters.</p>					30
0-3 year	4-5 years	6-10 years	11-14 years	15 and more years	
1	2	3	4	5	
TOTAL					100
Threshold Score					70

Only Bidders that have met the Pre-Qualification Criteria in (stage 1) will be evaluated for second stage for functionality. Functionality will be evaluated as follows:

- i. Technical Evaluation – Bidders will be required to achieve minimum threshold of 70 points.

NB: Only bidders who obtain at least 70 points under technical evaluation will be considered for further evaluation for 80/20 on price and points.

CLOSING DATE FOR THE SUBMISSION OF THE PROPOSAL IS 08 August 2025 @11:00

ELECTRONIC PROPOSAL TO BE FORWADED TO SCM@USAASA.ORG.ZA

Any enquiries , may be directed to SCM@usaasa.org.za

TEMPLATE 2: TRANSACTION FEE MODEL
OFF-SITE SERVICES

RFP NO:

RFQ/TMC/03/2025/26

RFP NAME:

APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY FOR A PERIOD OF THREE MONTHS

BIDDER NAME

1.1 TRANSACTION FEES

ITEM	Transaction Type	Estimated Volume	TRADITIONAL BOOKINGS			ONLINE BOOKINGS		
			Unit Price (excl VAT)	Unit Price (incl VAT)	TOTAL Price (incl VAT)	Unit Price (excl VAT)	Unit Price (incl VAT)	TOTAL Price (incl VAT)
1	Air Travel – International		R	-	R	R	-	R
2	Air Travel – Regional		R	-	R	R	-	R
3	Air Travel – Domestic		R	-	R	R	-	R
4	Air Travel – International (Re-issue)		R	-	R	R	-	R
5	Air Travel – Regional (Re-issue)		R	-	R	R	-	R
6	Air Travel – Domestic (Re-issue)		R	-	R	R	-	R
7	Refunds – Air Domestic		R	-	R	R	-	R
8	Refunds – Air Regional		R	-	R	R	-	R
9	Refunds – Air International		R	-	R	R	-	R
10	Car Rental – Domestic		R	-	R	R	-	R
11	Car Rental – Regional		R	-	R	R	-	R
12	Car Rental – International		R	-	R	R	-	R
13	Transfers/Shuttle – Domestic		R	-	R	R	-	R
14	Transfers/Shuttle – Regional		R	-	R	R	-	R
15	Transfers/Shuttle – International		R	-	R	R	-	R
16	Accommodation – Domestic		R	-	R	R	-	R
17	Accommodation – Regional		R	-	R	R	-	R
18	Accommodation – International		R	-	R	R	-	R
19	Bus/Coach Bookings		R	-	R	R	-	R
20	Train bookings – International		R	-	R	R	-	R
	Visa Assistance							
21	(Provision of documents and advice)		R	-	R	R	-	R
	Courier services for travel documentation (visa & passports)							
22			R	-	R	R	-	R
23	SMS Notifications		R	-	R	R	-	R
24	Cancellations		R	-	R	R	-	R
25	Changes to bookings		R	-	R	R	-	R
26	After Hours Services		R	-	R	R	-	R
27	Additional Ad-hoc Reports (per report)		R	-	R	R	-	R
28	Customised Reports (per report)		R	-	R	R	-	R
29	Debtors Account Reconciliation		R	-	R	R	-	R
30	Insurances		R	-	R	R	-	R
31	Conferences/Events		R	-	R	R	-	R
32	Travel Lodge card reconciliation							
33	Foreign Exchange Orders(FOREX)		R	-	R	R	-	R
34	Other (Specify)		R	-	R	R	-	R
35	Other (Specify)		R	-	R	R	-	R
36	Other (Specify)		R	-	R	R	-	R
Total		0			R			R
Percentage Split between Online Booking and Traditional Booking			Percentage Traditional			Percentage Online		
PRICE THAT WILL BE USED FOR EVALUATION PURPOSES			R					

1.2 CONFERENCE TRANSACTION FEE

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 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.

- 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:

$$\begin{array}{ccc}
 \text{80/20} & \text{or} & \text{90/10} \\
 \\
 P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)
 \end{array}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = 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:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) & \text{or} & Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Blackownership		20		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

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.

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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 | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>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.</p> <p>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</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| 6. Patent rights | <p>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.</p> |
| 7. Performance security | <p>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.</p> |

- 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 | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |

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.
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| 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 | <p>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</p> <p>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.</p> |
| 32. Taxes and duties | <p>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.</p> <p>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.</p> <p>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.</p> |
| 33. National Industrial Participation Programme | <p>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.</p> |