

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (UNIVERSAL SERVICE AND ACCESS AGENCY OF SOUTH AFRICA)					
BID NUMBER:	USAASA/ERP/06/2025/26	CLOSING DATE:	13 MARCH 2026	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO IMPLEMENT A CLOUD BASED ERP SOLUTIONS FOR A PERIOD OF TWO (2) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
94 BEKKER ROAD					
BUILDING 1, USAASA					
VORNA VALLEY					
MIDRAND 1686					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	VIOLET MASAELE/LYDIA MALEKA		CONTACT PERSON	SUPPLY CHAIN MANAGEMENT	
TELEPHONE NUMBER	011 564 1600		TELEPHONE NUMBER	011 564 1600	
FACSIMILE NUMBER	011 564 1629		FACSIMILE NUMBER	011 564 1629	
E-MAIL ADDRESS	SCM@USAASA.ORG.ZA		E-MAIL ADDRESS	LANGANANI.MATAMELA@USAASA.ORG.ZA	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> 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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:



Universal Service and Access Agency of South Africa

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO IMPLEMENT A CLOUD-BASED ERP SOLUTION FOR A PERIOD OF TWO (2) YEARS

1. BACKGROUND INFORMATION

- 1.1.** Universal Service and Access Agency of South Africa (USAASA) and Universal Service and Access Fund (USAF) is established in terms of section 80(1) and 87(1) of Electronic Communications Act (ECA) of 2005, as public entities mainly responsible to promote and subsidise universal access and universal service goals in the underserved areas of the Republic.
- 1.2.** USAASA has recently migrated to a Microsoft Azure Cloud hybrid environment. However, the current on-premises SAP ERP system is not cloud-based.
- 1.3.** USAASA has made a strategic decision to implement a cloud-based ERP solution that provides a unified, user-friendly experience, integrating all core functions into a comprehensive business suite to meet its operational needs.
- 1.4.** USAASA has approximately 75 employees with a possible 5% increase in the next two years.

2. PURPOSE AND OBJECTIVE OF THE ERP SOLUTION

- 2.1.** USAASA seeks to appoint a highly experienced service provider for supply, configuration, implementation, integration, and support of a fully integrated Enterprise Resource Planning (ERP) solution for USAASA.
- 2.2.** The system should be scalable to include more business modules in the near future.
- 2.3.** The primary objective of the ERP solution is to provide the Universal Service and Access Agency of South Africa with an integrated, secure, and auditable digital platform that supports effective governance, operational efficiency, and the transparent administration of the Universal Service and Access Fund (USAF).
- 2.4.** The service provider will have to migrate information from the SAP ERP system to the new system.

3. SCOPE OF WORK

3.1. The service provider will be responsible for the following:

- 3.1.1 ERP Business Solution Implementation: Covering all USAASA processes.
- 3.1.2 Project Management: Comprehensive oversight of the ERP implementation.
- 3.1.3 System Configuration & Customization: Ensuring the ERP system meets USAASA's specific requirements.
- 3.1.4 Testing & Quality Assurance: Ensuring system stability and performance.
- 3.1.5 Data Migration: Transferring data from the current system to the new ERP solution.
- 3.1.6 Change Management & User Adoption Strategies. General user modules and well as Super users and Change management champions.
- 3.1.7 Training for All Users and super users: Providing comprehensive ERP system training.
- 3.1.8 Ongoing Maintenance & Support as per the signed SLA.

4. PROJECT DELIVERABLES

4.1. The appointed bidder must deliver:

- 4.1.1 Proposed ERP Solution Document.
- 4.1.2 A configured and functional ERP system
- 4.1.3 Project Charter, including:
 - a. Project Plan
 - b. Goals & Objectives
 - c. Deliverables
- 4.1.4 Detailed Implementation, Configuration & Deployment Plan.
- 4.1.5 Installation, Testing & Acceptance Sign-off Documentation.
- 4.1.6 Knowledge transfer and handover documentation, provision skills transfer plan for a 2-years period
- 4.1.7 2-years proposal for Support & Maintenance Framework (per SLA agreement).
- 4.1.8 Licensing issues to be detailed and included for the implementation full lifecycle.

5. PROJECT TIMEFRAME

5.1. The bidder must provide a clear **timeline** for the full project lifecycle.

6. BID CONDITIONS

- 6.1** USAASA reserves the right not to appoint should the bid proposals be inadequate in terms of functionality.
- 6.2** USAASA reserves the right to withdraw this bid or extend the validity period of this bid before the validity period expires.
- 6.3** Failure to comply with any condition of this request for a proposal will invalidate respective tender proposal.
- 6.4** USAASA reserves the right to contact the references.
- 6.5** USAASA reserves the right to award part of a bid and not the whole bid.
- 6.6** USAASA reserves the right to withdraw this bid or extend the validity period of this bid before the validity period expires.
- 6.7** The validity period for this bid is 120 days, therefore all price proposals must be valid for 120 days before the award of the bid.
- 6.8** USAASA reserves the right not to accept the lowest proposal.
- 6.9** USAASA reserves the right to sign and conclude a formal contract with the successful bidder
- 6.10** USAASA reserves the right to invite the selected service providers for a presentation at its offices.
- 6.11** General conditions of contract issued by National Treasury will be applicable to this bid at all times and must be interpreted as such.
- 6.12** A contract will be signed with the appointed bidder to render the services upon a as if and when required basis.
- 6.13** Acceptance of appointment and/or signature of the contract constitutes a binding commitment by the appointed bidder to commence and continuously perform the services in accordance with the contract, including all agreed service levels, milestones, and deliverables.
- 6.14** The appointed bidder shall promptly notify USAASA in writing of any circumstance that may delay, obstruct, or otherwise impact the quality, continuity, or timeliness of the services.
- 6.15** Failure by the appointed bidder to commence, maintain, or perform the services in accordance with agreed service levels or timelines, where such failure is not attributable to USAASA shall constitute a breach of contract.
- 6.16** Where such failure is accompanied by a failure to respond in writing to USAASA within the specified period of written communication, the appointed bidder shall be

deemed to have abandoned the services/project and to be in material breach of the contract.

6.17 In the event of breach, service interruption, delay, or abandonment, USAASA may, without prejudice to any other rights:

6.17.1 impose service penalties as provided for in the contract;

6.17.2 withhold payment for services not rendered or not rendered in accordance with agreed service levels;

6.17.3 require the submission and implementation of a service recovery plan;

6.17.4 terminate the contract, in whole or in part, with immediate effect;

6.17.5 call upon any performance security provided for in the contract; and/or

6.17.6 appoint an alternative service provider at the defaulting appointed bidders cost and/or recover all resultant losses.

6.18 Repeated or persistent failure to meet service levels, timelines, or communication requirements may result in adverse performance reporting and restriction from future business in accordance with applicable National Treasury SCM prescripts.

6.19 The USAASA shall be the owner of all the information, documents, programs, advice and reports collected and compiled by the successful bidder in the execution of this tender.

6.20 All information, documents, programs and reports must be regarded as confidential and may not be made available to any unauthorized person or institution without the written consent of the USAASA.

6.21 A purchase order will be issued prior to the appointed bidder being engaged to provide services.

7. BID REQUIREMENTS AND SPECIFICATIONS

7.1 Bidder Experience & References

7.1.1 Company needs Minimum 7 years of experience in implementing and configuring ERP systems.

7.1.2 Provide a demonstrated expertise through the work conducted within the last 10 years by submitting three (3) contactable and signed (by the relevant authorised person) reference letters for similar ERP projects.

7.2 Project Resource Requirements

7.2.1 Project Manager / Team Leader:

- a. Minimum 7 years of experience in ERP system implementation and ICT

governance.

- b. Proficiency in Project Management methodologies (PMBOK, PRINCE2, or equivalent).
- c. Experience in the management of the team and in similar projects

7.2.2 Project Team Members:

- a. Minimum 5 years of relevant experience each.
- b. Expertise in ERP installation, configuration, and testing.
- c. Strong experience in business process and workflow design.
- d. Proven skills in data migration and seamless system integration.

7.2.3 Project plan and implementation Methodology

- draft Project plan with timelines for implementation and maintenance
- project implementation methodology
- Case studies on the previous projects

7.3 ERP Technical Specification (Requirements)

7.3.1. Finance & Accounting Module (Financial Core)

- This module must handle all financial processing in strict accordance with GRAP (Generally Recognised Accounting Practice) and the PFMA.
- General Ledger (GL): multi-dimensional chart of accounts that will capture transactions, in business context, operational measure to enable quick access or create reports that analyse real time business performance by business drivers.
- Accounts Payable (AP): Invoice processing, 3-way matching, and automated payment runs.
- Accounts Receivable (AR): Invoicing, debit/credit memos, and age analysis.
- Cash Management & Banking: Bank reconciliation, electronic fund transfers

(EFT) integration, and cash flow forecasting.

- Budgeting & Planning: Budget formulation, "Hard-stop" budget checking, and in-year monitoring (IYM). Ability to capture multiyear budget. Dashboard and reporting.
- Fixed Asset Management: Asset register, depreciation (GRAP compliant), revaluations, and impairments.
- Inventory management: stationery and material
- Project accounting: manage costs and revenue / budget to keep projects on time and within costs
- Tracking of time and expense management: tracking of supplier invoices to be paid within 30 days.
- Financial Reporting: Comprehensive balance sheets, income statements, and automated Annual Financial Statement (AFS) templates.

7.3.2. Supply Chain Management (SCM) Module (The Governance Pillar)

- This module must automate the "Demand to Delivery" cycle while enforcing National Treasury's SCM regulations.
- Demand Management: Procurement planning and linking requisitions to the Annual Procurement Plan.
- Acquisition Management: Quotation management (RFQ), tender/bid management, and committee evaluation workflows. Create, display, change, release and export report on vendor's PR, PO, price comparisons and contract management
- CSD Integration: Native real-time integration with the Central Supplier Database

(CSD) for compliance checks.

- **Contract Management:** Repository for SLAs, tracking contract ceilings, and automated expiration alerts.
- **Inventory & Warehouse:** Stock control, reorder points, and picking/packing for project materials.
- **Supplier Relationship Management (SRM):** A portal for vendors to update profiles, submit invoices, and track payments.
- **Logistics & Distribution:** Fleet management and tracking of goods delivered to project sites.

7.3.3. Human Capital Management (HCM) Module (The People Pillar)

- This module must manage the entire employee lifecycle while ensuring South African labour law compliance. Customised reports on personnel files,
- **Core HR (Org Management):** Management of the organizational structure, positions, and job descriptions.
- **Payroll Administration:** Statutory deductions (PAYE, UIF, SDL), 3rd party payments, and IRP5 generation.
- **Recruitment & Onboarding:** Applicant tracking system (ATS), interview scheduling, and digital onboarding.
- **Leave Management:** Automated leave applications and accruals aligned with the BCEA (Basic Conditions of Employment Act).
- **Performance Management:** KPI setting, 360-degree reviews, and development plans.

- **Training & Development (L&D):** Skills gap analysis, training schedules, and WSP/ATR reporting for SETAs.
- **Self-Service (ESS/MSS):** Mobile portals for employees (payslips/leave) and managers (approvals).
- **Time & Attendance:** ability to Integrate with biometric systems or mobile clock-ins for field workers.

7.4 Optional Technical Specification

7.4.1 The proposed ERP system may also include the following addition modules:

- **USAF Programme & Project Management** – Management of USAF projects and programme
- **Performance Management:** Management of the Organisational Strategic plans, APP and Performance Agreements.
- **Boardpacks:** Board minutes and meeting pack management
- **IT Service Desk:** Service desk functionality with portal & email logging, problem and SLA management, case classification, queue and change management
- **Customer Relation Management (CRM):** External stakeholders, SOEs, service providers, and government systems where required

7.5 ERP Technical and Compliance Standards (Requirement)

7.5.1 Section A: Compliance Standards

Standards	Requirement	Compliant
Data Sovereignty	POPIA Compliance: All primary and backup data must reside within the borders of the Republic of South Africa. No data may be replicated to international regions without explicit Board approval.	Yes/No

Audit Trails	Immutable Logging: The system must maintain unalterable logs of all user activities, specifically around financial records, SCM approvals, and payroll data.	Yes/No
Authentication	Multi-Factor Authentication (MFA): The system must natively support MFA for all users. Single Sign-On (SSO) integration with Azure AD (SAML 2.0) is required.	Yes/No
Encryption	Data Protection: All data must be encrypted at rest (AES-256) and in transit (TLS 1.2 or higher).	Yes/No
Mobile Access	Responsive Design: The system must be fully functional on mobile browsers or via a native app to support field workers for the USAF projects.	Yes/No

7.5.2 Section B: Disaster Recovery (DR) & Business Continuity

- These are the "standard" performance benchmarks the system must maintain.
- High Availability (HA): The system must guarantee a 99.9% uptime, excluding scheduled maintenance.
- Geo-Redundancy: Data must be replicated in real-time between two geographically distinct data centres within South Africa (e.g., Johannesburg and Cape Town).
- Recovery Point Objective (RPO): In the event of a disaster, data loss must not exceed 60 minutes.
- Recovery Time Objective (RTO): The system must be fully restorable and accessible in the DR site within 4 hours of a declared disaster.

- Point-in-Time Recovery: Bidders must provide the ability to restore the database to any specific minute within the last 14 days to mitigate ransomware risks.
- Annual Testing: The successful bidder must commit to performing two full DR failover test per annum, witnessed by our internal IT team.

7.5.3 Section C: Security & Cyber Defence Standards

- The system must be built on a "Secure by Design" philosophy:
- Role-Based Access Control (RBAC): Access must be restricted based on the user's specific role (Finance, SCM, and HCM), aligned with our Delegation of Authority.
- Vulnerability Management: The provider must provide proof of regular penetration testing (at least annually) and SOC 2 Type II compliance reports.
- Automatic Session Timeouts: To prevent unauthorized access on shared devices in the field.

8.EVALUATION CRITERIA

Proposals will be evaluated in three stages:

8.1 Stage One: Mandatory Requirements

8.1.1 Bidders must submit the following documents:

- a. Company Registration Document
- b. Valid B-BBEE Certificate or Valid Sworn Affidavit
- c. CSD Report
- d. Completed and Signed SBD Forms (SBD1, SBD3.1, SBD4 and SBD6.1)
- e. Initialled General condition of contract
- f. Initialled Terms of reference

Failure to submit the above documents will result in disqualification.

8.2 Stage Two: Functionality Evaluation

Criteria	Component	Measurable output points	Weight Total Score
1. Company Experience (3 Reference Letters)	Number of contactable references by submitting three (3) contactable and signed (by the relevant authorised person) reference letters. for similar ERP projects.	No reference letter: 0 point	20
		1 to 2 references: 5 points	
		3 and more references: 10 points	
	letters demonstrate relevant reference expertise to the project through the work conducted within the last 10 years	No public sector project :0 points Public sector projects: 5 points No cloud-based ERP implementations:0 points Cloud-based ERP implementations: 5 points	
2. Fit For Purpose (Does the proposed ERP System meet all technical specification and compliance standards – Section 7.3 & 7.5)	ERP Technical Specification	Failing to provide functionalities on three Modules as outlined under section 7.3: 0	20
		All functionalities from the 3 modules provided as outlined under section 7.3: 10	
	Technical and Compliance Standards	Failing to provide all technical and compliance standards as	

Criteria	Component	Measurable output points	Weight Total Score
		outlined under section 7.5: 0	
		All technical and compliance standards as outlined under section 7.5:10	
3. Project Manager Experience (CV Required, detailing experience and qualifications)	Years of experience in ERP system implementation	Less than 7 years-0	15
		7-10 years: 5 points	
		11 -15 year: 10 points	
	Project Management Certification (PMBOK, PRINCE2, or equivalent)	16 – 20 years: 15 points	5
		No project management certification: 0 point	
	Relevant ERP qualifications/Certification	Project Management certification: 5 points	10
		No ERP related qualification: 0 point	
		ERP related qualification: 10 points	
4. Project Team Experience (CVs Required)	A Minimum of 5 years' Experience (on average) Relevant experience of the team members in ERP implementation - ERP-related skills (installation, configuration,	Less than 5 years:0 points	15
		5-7 years: 5points	
		8 -10 years: 10points	
		11 and more years: 15 points,	

Criteria	Component	Measurable output points	Weight Total Score
	testing)		
5. Project Approach & Methodology	Detailed implementation plan for the project lifecycle including maintenance and training (phases, milestones, timelines)	No detailed project implementation plan: 0 Detailed project implementation plan outlining phases, milestones and timelines: 5 points	15
	Deliverables and schedule alignment clearly defined	No clear deliverables and schedule: 0 Clear deliverables 5 points	
	Risk mitigation and management strategy	No Risk management strategy: 0 Comprehensive risk management strategy plan: 5 points	
Total		80	100

Note: The minimum qualifying score for the second stage of functional evaluation criteria is 80 points out of 100 points. The bidders who met minimum qualifying threshold score will proceed to the third stage for price and points evaluation.

8.2.1 Responding to the Evaluation Criteria

8.2.1.1 Properly addressing the evaluation criteria means:

- Bidders must provide detailed responses aligned with the specified evaluation criteria.
- Bidders demonstrate their capabilities and experience through a structured

response that highlights their expertise, past successes, and ability to meet project objectives.

- c. Bidders submit a well-articulated response that emphasizes their strengths.
- d. Bidders align their response with the project requirements, ensuring clarity and building confidence with USAASA that their proposed solution will deliver the project's needs.

9. Stage Three: Price & Points Evaluation (80/20 Preferential Procurement Points)

- The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{\min} = Price of lowest acceptable tender.

9.1 Notes for Bidders:

All prices must be inclusive of VAT.

- a) The pricing schedule must be completed in full.
- b) Any omissions may lead to disqualification.
- c) Ensure that all costs associated with an ERP System are itemized and justified.

9.2 PRICING SCHEDULE

Item Description	Quantity	Unit Price (ZAR)	Total Price (ZAR, VAT Inclusive)
ERP Solution Implementation itemised costing per module			
System Configuration & Customization			

Data Migration			
Training & Change Management Plans			
Annual License			
Maintenance & Support (Per SLA)			
Total Cost			

NB: pricing schedule tabled above should not be limited to the solution required.

9.3 A well-structured **pricing schedule** means:

- Bidders ensure** transparency and cost justification by clearly itemizing costs, allowing evaluators to understand how pricing is derived.
- Bidders ensure** fair price comparison by submitting accurate and all-inclusive pricing. Since pricing is evaluated on an **80/20 preference system**, the lowest-priced bid receives the highest score.
- Bidders prevent** underquoting or overpricing by maintaining **balanced pricing**, which ensures financial feasibility while remaining competitive for bidders and delivering value for money to the entity.
- Bidders submit** a clear cost breakdown to help the entity assess affordability and ensure financial alignment with project funding.
- All bidders are requested to arrange their submission in a structured manner as per the requirements below. Tender document must include a clear Table of Contents and be organized in properly filed sections arranged to ensure that all required information is easily identifiable. This arrangement will assist the evaluation team in reviewing submissions efficiently and will help confirm that all supporting documents have been duly provided.

10. COMPLIANCE CHECKLIST

Requirement	Submitted (Yes☑/No☒)	Comments
Company Registration Document	<input type="checkbox"/>	
Valid B-BBEE Certificate or Affidavit	<input type="checkbox"/>	
CSD Report		

completed and signed SBD Forms	<input type="checkbox"/>	
Five (3) Reference Letters	<input type="checkbox"/>	
CVs of Key Personnel	<input type="checkbox"/>	
Detailed Project Plan	<input type="checkbox"/>	
Implementation & Maintenance Plan	<input type="checkbox"/>	
Initialled Terms of Reference		
Initialled general conditions of a contract		
Pricing Schedule	<input type="checkbox"/>	

10.1 The Compliance Checklist ensures that all **mandatory documents** are submitted, this assists bidders to:

- a. **Avoid disqualification** – no submitting any of the required documents may result in automatic disqualification.
- b. **Establishes credibility** – Submission of all required documents strengthens the bidder's legitimacy and trustworthiness.
- c. **Streamlines the evaluation process** – Proper documentation enables smooth evaluation and verification, expediting decision-making.

11. SUBMISSION REQUIREMENTS

11.1. Proposals must be submitted in 1 x original hard copy and **electronic format (PDF) on 1 x USB** and must include the following:

11.1.1 Executive Summary

11.1.2 Company Overview & Experience

11.1.3 Please submit documents indexes

11.2. In case of joint ventures, bidders must provide a clear agreement regarding joint venture/consortia.

11.3. No late bids will be considered. It is the bidder's responsibility to ensure that the bid is delivered to the correct physical address and that this is received by the USAASA SCM Office before the closing date and time in USAASA's dedicated tender box or physical address. The

office hours are Monday to Friday expect public holidays from 08h00 to 16h00.

12. VALIDITY OF PROPOSAL

12.1 The Service Provider is required to confirm that it will hold its proposal valid for 120 days from the closing date of the submission of proposals.

12.2 In exceptional circumstances, USAASA may solicit the bidder's consent to an extension of the period of the validity of the bid. The request and responses thereto shall be made in writing

DELIVERY ADDRESS:

**USAASA Office,
Supply Chain Management,
Thornhill Office Park, Building 1,
Vorna Valley, Midrand**

NB: Closing date for submission of proposals is 13 March 2026 @ 11:00

12.3 ENQUIRIES

12.3.1 ALL Enquiries must be directed to: scm@usaasa.org.za,

12.3.2 Technical Capacity must be directed to: Langanani.matamela@usaasa.org.za

13. TERMS AND CONDITIONS

13.1 All costs related to the preparation and submission of the proposal shall be borne by the service provider.

13.2 USAASA reserves the right to request additional information from bidders.

13.3 USAASA is not obligated to appoint any service provider based on this request.

13.4 Late submissions will not be accepted.

13.5 Compliance with all relevant data protection and telecommunications regulations is mandatory.

14. BIDDER DECLARATION

The bidder hereby declares the following:

We confirm that

will: –

- a. Act honestly, fairly, and with due skill, care and diligence, in the interests of USAASA
- b. Employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- c. Act with circumspection and treat USAASA fairly in a situation of conflicting interests;
- d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with USAASA;
- f. Avoid fraudulent and misleading advertising, canvassing and marketing;
- g. Conduct business activities with transparency and consistently uphold the interests and needs of USAASA as a client before any other consideration; and
- h. Ensure that any information acquired by the bidder(s) from USAASA will not be used or disclosed unless the written consent of the client has been obtained to do so.

Signature_____Date_____

Print Name of Signatory: _____

Designation: _____

FOR AND ON BEHALF OF: _____ (*Bidding Company's Name*)

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

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

Name of bidder.....

Bid number: **USAASA/06/ERP/2025/26**

Closing Time: **11:00**

Closing date: **13 March 2026**

OFFER TO BE VALID FOR ...**120**.....DAYS FROM THE CLOSING DATE OF BID.

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

- Required by:

- At:

- Brand and model

- Country of origin

- Does the offer comply with the specification(s)? *YES/NO

- If not to specification, indicate deviation(s)

- Period required for delivery

*Delivery: Firm/not firm

- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

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:

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = 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)
Black Ownership		20		

NB: Preferential points for black ownership will be awarded as follows:

Black Ownership	% of Preferential points
Bidder with 100% black ownership	100%
Bidder with 51% to 99% black ownership	50%
Bidder with less than 51% black ownership	0%

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	

Annexure A

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

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

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

- | | |
|--|--|
| 2. Application | <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.
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 Programme (NIP)	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.