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MAGWA ENTERPRISE TEA SOC LIMITED

REQUEST FOR QUOTATION

RFQ 26-008

**APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND
DELIVERY OF TEA HARVESTING MACHINES AND SPARE
PARTS.**

MAIN RFQ DOCUMENT

INSTRUCTIONS, GUIDELINES, AND CONDITIONS OF TENDER

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Summary, Guidelines, Conditions, and Instructions

1. PURPOSE OF THIS REQUEST FOR QUOTATION

The purpose of this Request for Quotation (RFQ) is for the Magwa Enterprise Tea SOC Limited (MET) to invite service providers (bidders) to submit quotations for Tea Harvesting Machines and Spares (Parts)

tenders in accordance with the rules set out in this RFQ on a non-exclusive basis.

2. OVERVIEW OF MET REQUIREMENTS

2.1. Summary of the scope

Details of the scope of work and the required goods and services are defined in more detail in the Business Requirements Specification document and other documents forming part of this RFQ.

2.2 Background

Magwa and Majola Tea Estates are commercial tea-producing operations responsible for the cultivation, harvesting, and processing of tea. The productivity and sustainability of both estates are dependent on the timely harvesting of tea during the annual plucking season, which generally runs from late September to early May.

3. SPECIFICATION: SCOPE OF WORK

Supply and delivery of 40 Harvesting Machines

20 x Handheld, 2 stroke tea leaf Harvesting Machine.	20 x Two men operated 2 stroke petrol power Tea Harvester Plucking Machine.
- Model: DL-4C-A	- Model: 1E43E
- Cutting width: 40/45/60 cm	- Weight: 15kg's
- Stroke: 2 Stroke	- Power Model: 1E43E
- Displacement: 25.4CC	- Tank Volume: 1.4L
- HP: 0.9HP	- Standard Power: 2.2 KW
- >Power: 0.7<1.5	- Packing Size: 90*32*52 cm
- Total weight: 9.2kg's	- Voltage: 220v- 380v
- Engine	- Working Width: 100cm
	- Power: 2200w
	- Core Components: Engine, motor

4. STRUCTURE OF THE RFQ PACK

4.1. Structure

4.1.1 This RFQ pack is organised in 5 (five) sections consisting of one or more documents in each section.

Table 1: RFQ pack outline and contents

Section	Index	Description of section contents
1	Main RFQ Document	Documents outlining the main RFQ guidelines, instructions, conditions and documents necessary for a bidder to submit a quotation.
2	Business Requirements Specification	Document(s) outlining the business requirements specifications and other information required by a bidder to submit a quotation.
3	SBD Documents	Standard Bid Documents (SBDs) and other administrative documents that are required by National Treasury and MET Procurement to be read, completed, and returned as part of a bidder's proposal.
4	Contract management	The General Conditions of Contract (GCC) and/or proposed agreement under which MET wishes to contract the services.
5	Response templates	Where applicable, response templates that are required to be completed and returned as part of a bidder's proposal.

See Annexure A for standard bidding documents – documents should be completed in full.

5. KEY ACTIVITIES AND DATES

5.1 The table below lists certain key dates and activities relevant from the time of issue of the RFQ up to and until the closing date:

Table 2: Key activities and dates

No.	Activity	
1.	Bid Number	RFQ 26-008
2.	Description	Supply and delivery of Tea Harvesting Machines and Spares (Parts).
4.	Validity period of quotation	Bids submitted will be valid for a period of 180 calendar days from closing date.
5.	Advertisement of the RFQ	03 August 2026
10.	CLOSING DATE AND TIME	14 August 2026 at 15h00

6. COMMUNICATION

All communications to MET must be addressed to the MET SCM Office, emailed to procurement@magwatea.com Cc. fekey@magwatea.com, and must contain a clear reference to this RFQ.

7. TENDER PREPARATION AND SUBMISSION

7.1. Central Supplier Database

All bidders wishing to do business with MET must register on the Government's Central Supplier Database (CSD) at www.CSD.gov.za, and **MUST** include in their submission CSD Master Registration Number. The recommended bidder(s) must be registered on the CSD prior to an award letter / purchase order / signed contract being issued. Foreign suppliers with neither South African tax obligations nor history of doing business in South Africa must complete the questionnaire on the Standard Bidding Document (SBD) 1.

7.2. Tax Compliant Certificate

Suppliers wishing to conduct business with our organization **MUST** be fully tax compliant in accordance with the applicable tax legislation of the Republic of South Africa. Suppliers are required to have a valid **Tax Compliance Status (TCS)** with the South African Revenue Service (SARS) and must provide proof of their tax compliance status. Failure to provide a valid Tax Clearance Certificate may result in disqualification from procurement processes, or contract award.

7.3. Financial implications and preference points allocation

The preference point's claim is in terms of the Preferential Procurement Regulations 2017.

As per the table below, price is evaluated over 80 points and preference points over 20:	80 Points
Price Assessment	80
Specific Goals	20 Points

The preference points allocated points in terms of this tender.	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Historically Disadvantaged Individuals Ownership	4 (20%)	
Disability Ownership	3 (15%)	
Youth Ownership	3 (15%)	
Women Ownership	10 (50%)	
TOTAL	20 (100%)	

The preference points supporting documents required to verify claimed points may in line with the specified requirements include:

- Women Ownership: Ownership: Proof of ownership (CIPC certificate) with id no.
- Disability Ownership: Proof of ownership (CIPC certificate) with valid medical documentary proof.
- Youth Ownership: Ownership: Proof of Ownership (CIPC certificate) with id no.
- Historically Disadvantaged Individuals Ownership: Proof of Ownership (CIPC certificate) with id no and copy of Identity Document.

No preferential points claim will be equal to zero points and does not result in elimination

7.4. Quotation submission

For this RFQ, MET will accept quotation submissions in the form via email to procurement@magwatea.com, Cc. fekey@magwatea.com

Late submission will not be accepted.

8. EVALUATION CRITERIA

8.1. Prequalification evaluation process (Gate 0)

- 8.1.1. MET has defined minimum administrative prequalification criteria that must be met by a bidder. The table below contains the administrative prequalification documents that are required as part of a bidder's tender, which must be completed and signed by the duly authorised representative of the prospective bidder(s).
- 8.1.2. Where a bidder's tender fails to comply fully with any of the prequalification criteria, MET may at its discretion allow the bidder an opportunity to submit and/or supplement the information and/or documentation provided within a grace period of **seven (7) working days** or such alternative period as MET may determine to achieve full compliance with these criteria before disqualifying the bidder.
- 8.1.3. MET will disqualify a bidder who does not achieve full compliance of the prequalification Standard Bidding Documents (SBD) after the grace period provided by MET.

Table 3: Prequalification criteria

Prequalification documents to be submitted	Instructions	Non-submission will result in disqualification?
SBD 1: Invitation to bid form	Bidder to complete and sign the supplied pro forma document.	YES
SBD 4: Bidder's Disclosure	Bidder to complete and sign the supplied pro forma document.	YES
SBD 6.1: Preference points claim form	Bidder to complete and sign the supplied pro forma document, to claim the points for specific goals.	NO Non-submission will lead to a zero score on specific goals.
Proof of registration on the Central Supplier Database (CSD)	Bidder to submit the proof of registration on CSD.	NO However, a bidder must be registered on CSD in order to be considered for award.
General Conditions of Contract	Bidder to complete and sign the supplied pro forma document.	NO

8.1.4. Specific goals evaluation

In line with the requirements of the Preferential Procurement Policy Framework Act, 2000, and its Regulations and MET Preferential Procurement Policy, only bidders that **have met prequalification evaluation, will be evaluated further.**

- 8.1.5. MET will apply the applicable preference point system in accordance with published preference point system. Should actual pricing tender s submitted by the bidders differ from the estimated costs prescribing the system to be used, the lowest acceptable tender will be used to determine the applicable preference point system.

9. ANNEXURES

ANNEXURE 1
INVITATION TO BID
SBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	RFQ 26-008	CLOSING DATE:	14 August 2026	CLOSING TIME:	15H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR SUPPLY AND DELIVERY OF TEA HARVESTING MACHINES AND SPARES (PARTS).				
BID RESPONSE DOCUMENTS MUST BE SUBMITTED VIA EMAIL TO procurement@magwatea.com					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms Y Feke		CONTACT PERSON	Mr. L Mdiya	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	procurement@magwatea.com		E-MAIL ADDRESS	procurement@magwatea.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

YES

☐

NO

☐

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

YES

☐

NO

☐

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES

☐

NO

☐

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES

☐

NO

☐

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

YES

☐

NO

☐

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE E-MAILED BY THE STIPULATED TIME TO THE CORRECT EMAIL 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.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.3 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.4 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.5 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.6 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:

ANNEXURE 3 DECLARATION OF INTEREST

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

- 2.1. Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise,

employed by the state?

YES/NO

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

Full Name	Identity Number	Name of State institution

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

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

- 2.2.1 If so, furnish particulars:

.....

.....

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

2.3.1 If so, furnish particulars:

.....

.....

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

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. 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.

3.5 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.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this

procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.7 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

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

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 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.	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.
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.	2.2	Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
1.3	"Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.	2.3	Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
1.4	"Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the Procurement process or in contract execution.	3.	General
1.5	"Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.	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.
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.	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
1.7	"Day" means calendar day.	4.	Standards
1.8	"Delivery" means delivery in compliance of the conditions of the contract or order.	4.1	The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
1.9	"Delivery ex stock" means immediate delivery directly from stock actually, on hand.	5.	Use of documents contract and information; inspection
1.10	"Delivery into consignee's 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.	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.
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.	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.
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.	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. 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.
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.	6.	Patent rights
1.14	"GCC" means the General Conditions of Contract.	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.
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.	7.	Performance security.
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.	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. 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. 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:
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.	7.2	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
1.18	"Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.	7.3	b) A cashier's or certified cheque
1.19	"Order" means an official written order issued for the supply of goods or works or the rendering of a service.	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.
1.20	"Project site," where applicable, means the place indicated in bidding documents.	8.	Inspections, tests and analyses
1.21	"Purchaser" means the organization purchasing the goods.	8.1	All pre-bidding testing will be for the account of the bidder.
1.22	"Republic" means the Republic of South Africa.	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. 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.
1.23	"SCC" means the Special Conditions of Contract.	8.3	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.
1.24	"Services" means those functional services ancillaries 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.	8.4	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
1.25	"Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.	8.5	

2. Application

	not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.	15.1		
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.			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.
8.7	Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.	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.
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 15.3 of GCC.	15.3		The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
9.	Packing	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.
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.	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.
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.	16.1		
10.	Delivery and documents			16. Payment
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.			The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
10.2	Documents to be submitted by the supplier are specified in SCC.	17.1		16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
11.	Insurance			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.
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.	17.2		16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
12.	Transportation			17. Prices
12.1	Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.	19.1		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.
13.	Incidental service			18. Contracts amendments
13.1	The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:	20.1		No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
	(a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;			19. Assignment
	(b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;			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.
	(c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;			20. Subcontracts
	(d) Performance or supervision or maintenance and/or repair of the supplied goods, for a period agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and	21.1		The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract 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.
	(e) Training of the purchaser's personnel, at the supplier's plant and/or onsite, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.	21.2		21. Delays in the supplier's performance
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.			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.
14.	Spare parts	21.3		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.
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:	21.4		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.
	(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			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.
	(b) In the event of termination of production of the spare parts:	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.
	(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and			Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and
	(ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.	21.6		
15.	Warranty			

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 of 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 purchaser, 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

- 24.1 When, after the date of bid, provisional payments are required, or countervailing duties and rights. Antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from monies (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.

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

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

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

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.

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

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

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

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

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

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

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

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

31. Notices

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

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

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

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

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 Indicative Programme (NIP).	33.1 The NIP Programme by the Department of Trade and Industry will be applicable to contracts that are awarded to the NIP of
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- 34 **Prohibition of**
34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of Restrictive practices 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the

matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the competition Act No.89 of 1998.

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

General Conditions of Contract (revised July 2010)

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Signature

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Date

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Position

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Name of Bidder