

INVITATION FOR BID

**YOU ARE HEREBY INVITED TO SUBMIT PROPOSAL FOR THE REQUIREMENTS OF
NATIONAL HEALTH LABORATORY SERVICE (NHLS)**

BID NUMBER:	RFB162/25/26
CLOSING DATE:	21 JANUARY 2026
CLOSING TIME:	11:00 AM
PUBLIC TENDER OPENING:	DATE: 21 JANUARY 2026 TIME: 11:30 AM VENUE: MAIN CONFERENCE BOARDROOM NATIONAL HEALTH LABORATORY SERVICE 1 MODDERFONTEIN ROAD SANDRINGHAM
BID VALIDITY PERIOD:	180 days (commencing from the RFB Closing Date)
IMPORTANT:	A COMPULSORY BRIEFING SESSION WILL BE HELD: DATE: 12 JANUARY 2026 TIME: 11:00 AM VENUE: MAIN CONFERENCE ROOM NATIONAL HEALTH LABORATORY SERVICE 1 MODDERFONTEIN ROAD SANDRINGHAM <u>PLEASE NOTE THAT LATE COMING WILL NOT BE ACCEPTED</u> All questions must be sent per e-mail to khaya.bonani@nhls.ac.za on or before 16 JANUARY 2026
DESCRIPTION:	RFB162/25/26 THE (NHLS) INVITES SUITABLY QUALIFIED BIDDERS TO SUBMIT PROPOSALS TO PERFORM ASSET VERIFICATIONS AT ALL NHLS LOCATIONS, REVIEW THE USEFUL LIVES, PERFORM IMPAIRMENT TESTS, UPDATE THE FIXED ASSET REGISTER (FAR) AND ASSIST IN ADDRESSING AUDIT FINDINGS FROM THE 2023/24 & 2024/25 FINANCIAL

YEARS AS WELL AS AUDIT SUPPORT DURING THE 2025/26 FINANCIAL YEAR FOR A PERIOD OF SIX (6) MONTHS		
BID DOCUMENTS MUST BE MARKED WITH THE FOLLOWING:	OR	DEPOSITED IN THE BID BOX SITUATED AT:
NHLS PROCUREMENT TENDER OFFICE		
Bidders Name: _____ RFB: Enclosed-Regret (delete N/A) Closing Date: _____		NHLS MAIN RECEPTION 1 Modderfontein Road, Sandringham, Johannesburg.

Bidders should ensure that Bids are delivered in time to the correct address. If the bid is late, it shall not be accepted for consideration.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (Please note that no changes on the content of this document is allowed)

Bidders should ensure that Bids are delivered in time to the correct address. If the bid is late, it shall not be accepted for consideration.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (Please note that no changes on the content of this document is allowed).

THIS TENDER IS SUBJECT TO THE GENERAL CONDITIONS OF THE TENDER, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO SHALL RESULT IN YOUR BID BEING DISQUALIFIED).

SUPPLIER INFORMATION		
NAME OF BIDDER		
POSTAL ADDRESS		
STREET ADDRESS		
TELEPHONE NUMBER	CODE:	NUMBER:
CELLPHONE NUMBER		
FACSIMILE NUMBER	CODE	NUMBER:
E-MAIL ADDRESS		

SUPPLIER INFORMATION			
VAT REGISTRATION NUMBER	TCS PIN:	OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	☐ Yes ☐ No [TICK APPLICABLE BOX]	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ No [TICK APPLICABLE BOX]
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO CLAIM POINTS FOR SPECIFIC GOALS WHERE APPLICABLE]			
SIGNATURE OF BIDDER			Date:
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL BID PRICE (ALL INCLUSIVE)			
BIDDING PROCEDURE AND TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
DEPARTMENT/ PUBLIC ENTITY			
CONTACT PERSON			
TELEPHONE NUMBER			
FACSIMILE NUMBER			
E-MAIL ADDRESS			

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1. Confidential information disclosure notice

- 1.1 This document may contain confidential information that is the property of the NHLS and the Client.
- 1.2 No part of the contents may be used, copied, disclosed or conveyed in whole or in part to any party in any manner whatsoever other than for preparing a proposal in response to this Bid, without prior written permission from NHLS and the Client.
- 1.3 All Copyright and Intellectual Property herein vests with NHLS and its Client.

2. Introduction

- 2.1 Based on the Bids submitted and the outcome of the evaluation process according to the set evaluation criteria, NHLS intends to select a preferred bidder with the view of concluding a service level agreement (SLA) with such successful bidder. The Bid shall be evaluated in terms of the Preferential Procurement Policy Framework Act (PPPFA)

2.2 Queries

- 2.2.1 Should it be necessary for a bidder to obtain clarity on any matter arising from or referred to in this RFB document, please refer queries, in writing, and to the contact person_email address number listed below on or before **16 January 2026**. Under no circumstances may any other employee within NHLS be approached for any information. Any such action might result in a disqualification of a response submitted in competition to the RFB. NHLS reserves the right to place responses to such queries on the website.

QUERIES: Khaya Bonani	Telephone	011 555 0378
	E-mail	khaya.bonani@nhls.ac.za

3. Definitions

- 3.1 National Health Laboratory Services [hereinafter referred to as NHLS] is a public health laboratory service with laboratories across South Africa. Its activities comprise diagnostic laboratory services, research, teaching and training, and production of sera for anti-snake venom, reagents and media.
- 3.2 NHLS was established in 2001 by an Act of Parliament to provide diagnostic pathology laboratory services to the National and Provincial Health Department.
- 3.3 **“Acceptable Bid”** - means any bid, which, in all respects, complies with the specifications and conditions of the RFB as set out in this document.
- 3.4 **“B-BBEE”** – means broad bases black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.
- 3.5 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black

Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.

- 3.6 **“Bid”** - means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods through price quotations, advertised bidding processes or proposals.
- 3.7 **“Bidders”** - means any enterprise, consortium or person, partnership, company, close corporation, firm or any other form of enterprise or person, legal or natural, which has been invited by NHLS to submit a bid in response to this bid invitation.
- 3.8 **“Broad-Based Black Economic Empowerment Act”** – means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
- 3.9 **“Client”** - means the goods or services requestor.
- 3.10 **“Comparative Price”** - Means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.
- 3.11 **“Consortium”** - means several entities joining forces as an umbrella entity to gain a strategic collaborative advantage by combining their expertise, capital, efforts, skills and knowledge for the purpose of executing this tender.
- 3.12 **“Contractor Agent”** - means any person mandated by a Prime Contractor or consortium/joint venture to do business for and on behalf of, or to represent in a business transaction, the Prime Contractor and thereby acquire rights for the Prime Contractor or consortium/joint venture against NHLS or an organ of state and incur obligations binding the Prime Contractor or consortium/joint venture in favour of NHLS or an organ of state.
- 3.13 **“Disability”** - means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 3.14 **Designated group means –**
 - (a) Black designated groups;
 - (b) Black people;
 - (c) Women
 - (d) People with disabilities; or
 - (e) Small enterprises as defined section 1 of the National Small Enterprise Act, 1996 (Act No. 102 of 1996)

- 3.15 **“Designated sector”** means – a sector, sub-sector or industry or product designated by the Department of Trade and Industry.
- 3.16 **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 3.17 **“Firm Price”** - means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition or abolition of customs or excise duty and any other duty, levy or tax which, in terms of a law or regulation is binding on the contractor and demonstrably has influence on the price of any supplies or the rendering cost of any service, for the execution of a contract.
- 3.18 **“Goods”** – means any work, equipment, machinery, tools, materials or anything of whatever nature to be rendered to NHLS or NHLS’s delegate by the Successful Bidder in terms of this bid.
- 3.19 **“Historically Disadvantaged Individual”** (HDI) - means a South African citizen:
- 3.19.1 Who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983, (Act No. 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) (the Interim Constitution); and/or;
- 3.19.2 who is a female; and/or;
- 3.19.3 who has a disability;
- provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution is deemed not to be an HDI.
- 3.20 **“Joint Venture”** - (Project) means two or more businesses joining together under a contractual agreement to conduct a specific business enterprise with both parties sharing profit and losses. The venture is for one specific project only, rather than for a continuing business relationship as in a strategic alliance. It is about sharing risk with others and providing one or more missing and needed assets and competencies.
- 3.21 **“Management”** - in relation to an enterprise or business, means an activity inclusive of control, and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 3.22 **“Military veteran”**- has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011).
- 3.23 **“Non-firm Price(s)”** - means all price(s) other than “firm” price(s).
- 3.24 **“Organ of State”** - means a National Department or Provincial Administration as stipulated in Schedules 1 and 2 of the Public Service Act, Act 93 of 1994 (as amended).
- 3.25 **“Person(s)”** - refers to a natural and/or juristic person(s).

- 3.26 **“Price”** - includes all applicable taxes less all unconditional discounts;
- 3.27 **“Prime Contractor”** – means any person (natural or juristic) who forwards an acceptable proposal in response to this RFB with the intention of being the main contractor should the proposal be awarded to him/her.
- 3.28 **“Proof of B-BBEE status level of contributor”** means -
- (a) B-BBEE Status level certificate issued by an authorized body or person;
 - (b) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; and
 - (c) Any other requirement prescribed in terms of the B-BBEE Act.
- 3.29 **“QSE”** - means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- 3.30 **“Rand Value”** - means the total estimated value of a contract in South African currency, calculated at the time of invitations and includes all applicable taxes and excise duties.
- 3.31 **“Rural Area”** means –
- (a) A sparsely populated area in which people farm or depend on natural resources, including villages and small town that are dispersed through the area; or
 - (b) An area including a large settlement which depends on migratory labour and remittances and government social grants for survival and may have a traditional land tenure system.
- 3.32 **“SMME”** – bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act No. 102 of 1996).
- 3.33 **“Stipulated minimum threshold”** means – the minimum threshold stipulated for local production and content.
- 3.34 **“Sub-contract”** means - the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 3.35 **“Subcontractor”** - means any person (natural or juristic) who is subcontracted a portion of an existing contract by a Prime Contractor.
- 3.36 **“Successful Bidder”** - means the organization or person with whom the order is placed and who is contracted to execute the work as detailed in the bid.

3.37 **“Township”** means – an urban living area that any time from late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantage individuals post 27 April 1994.

3.38 **“Youth”** has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

4. **Acronyms and abbreviations**

4.1 The following acronyms and abbreviations are used in this proposal and must be similarly used in the proposal submitted in response and shall have the meaning ascribed thereto below.

Abbreviations/Acronyms	Description
BBBEE	Broad Based Black Economic Empowerment.
CPI	Consumer Price Index.
DIR	Directorate
EDMS	Electronic Document Management System
HDI	Historically Disadvantaged Individuals
ISO	International Standard Organization
IT	Information Technology
ITC	Information Technology Committee
MISS	Minimum Information Security Standard
OEM	Original Equipment Manufacturer
PPPFA	Preferential Procurement Policy Framework Act
RFB	Request for Bid
RSA	Republic of South Africa
NHLS	National Health Laboratory Services
SLA	Service Level Agreement
SW	Software
LIS	Laboratory Information system
24x7	24 hours a day, 7 days a week

5. **General Rules and Instructions**

5.1 **Confidentiality**

5.1.1 The information contained in this document is of a confidential nature and must only be used for purposes of responding to this RFB. This confidentiality clause extends to Bidder partners and/or implementation agents, whom the Bidder may decide to involve in preparing a response to this RFB.

5.1.2 For purposes of this process, the term “Confidential Information” shall include all technical and business information, including, without limiting the generality of the foregoing, all secret knowledge and

information (including any and all financial, commercial, market, technical, functional and scientific information, and information relating to a party's strategic objectives and planning and its past, present and future research and development), technical, functional and scientific requirements and specifications, data concerning business relationships, demonstrations, processes, machinery, know-how, architectural information, information contained in a party's software and associated material and documentation, plans, designs and drawings and all material of whatever description, whether subject to or protected by copyright, patent or trademark, registered or un-registered, or otherwise disclosed or communicated before or after the date of this process.

- 5.1.3 The receiving party shall not, during the period of validity of this process, or at any time thereafter, use or disclose, directly or indirectly, the confidential information of NHLS (even if received before the date of this process) to any person whether in the employment of the receiving party or not, who does not take part in the performance of this process.
- 5.1.4 The receiving party shall take all such steps as may be reasonably necessary to prevent NHLS's confidential information coming into the possession of unauthorised third parties. In protecting the receiving party's confidential information, NHLS shall use the same degree of care, which does not amount to less than a reasonable degree of care, to prevent the unauthorised use or disclosure of the confidential information as the receiving party uses to protect its own confidential information.
- 5.1.5 Any documentation, software or records relating to confidential information of NHLS, which comes into the possession of the receiving party during the period of validity of this process or at any time thereafter or which has so come into its possession before the period of validity of this process:
 - 5.1.5.1 shall be deemed to form part of the confidential information of NHLS;
 - 5.1.5.2 shall be deemed to be the property of NHLS;
 - 5.1.5.3 shall not be copied, reproduced, published or circulated by the receiving party unless and to the extent that such copying is necessary for the performance of this process and all other processes as contemplated in; and
 - 5.1.5.4 shall be surrendered to NHLS on demand, and in any event on the termination of the investigations and negotiations, and the receiving party shall not retain any extracts.

5.2 News and press releases

- 5.2.1 Bidders or their agents shall not make any news releases concerning this RFB or the awarding of the same or any resulting agreement(s) without the consent of, and then only in co-ordination with, NHLS and its Client.

5.3 Precedence of documents

- 5.3.1 This RFB consists of a number of sections (see list). Where there is a contradiction in terms between the clauses, phrases, words, stipulations or terms and herein referred to generally as stipulations in this RFB and the stipulations in any other document attached hereto, or the RFB submitted hereto, the relevant stipulations in this RFB shall take precedence.

5.3.2 Where this RFB is silent on any matter, the relevant stipulations addressing such matter and which appear in the PPPFA shall take precedence. Bidders shall refrain from incorporating any additional stipulations in its proposal submitted in terms hereof other than in the form of a clearly marked recommendation that NHLS may in its sole discretion elect to import or to ignore. Any such inclusion shall not be used for any purpose of interpretation unless it has been so imported or acknowledged by NHLS.

5.3.3 It is acknowledged that all stipulations in the PPPFA are not equally applicable to all matters addressed in this RFB. It however remains the exclusive domain and election of NHLS as to which of these stipulations are applicable and to what extent. Bidders are hereby acknowledging that the decision of NHLS in this regard is final and binding. The onus to enquire and obtain clarity in this regard rests with the Bidder(s). The Bidder(s) shall take care to restrict its enquiries in this regard to the most reasonable interpretations required to ensure the necessary consensus.

5.4 Preferential Procurement Reform

5.4.1 NHLS supports B-BBEE as an essential ingredient of its business. In accordance with government policy, NHLS insists that the private sector demonstrates its commitment and track record to B-BBEE in the areas of ownership (shareholding), skills transfer, employment equity and procurement practices (SMME Development) etc.

5.4.2 NHLS shall apply the principles of the Preferential Procurement Policy Framework Act, (Act No. 5 of 2000) to this proposal.

5.4.3 Bidders shall complete the preference certificate attached to this proposal. In the case of a consortium and sub-contractors, the preference certificate must be completed for each legal entity.

5.5 National Industrial Participation Programme

5.5.1 The Industrial Participation policy, which was endorsed by Cabinet on 30 April 1997, is applicable to contracts that have an imported content. The NIP is obligatory and therefore must be complied with. Bidders are required to sign and submit the Standard Bidding Document (SBD5).

5.6 Language

5.6.1 Bids shall be submitted in English.

5.7 Gender

5.7.1 Any word implying any gender shall be interpreted to imply all other genders.

5.8 Headings

5.8.1 Headings are incorporated into this proposal and submitted in response thereto, for ease of reference only and shall not form part thereof for any purpose of interpretation or for any other purpose.

5.9 Security clearances

- 5.9.1 Employees and subcontractors of the successful bidder may be required to be in possession of valid security clearances to the level determined by the State Security Agency (SSA) and/or NHLS commensurate with the nature of the project activities they are involved in. The cost of obtaining suitable clearances is for the account of the bidders. The bidders shall supply and maintain a list of personnel involved on the project indicating their clearance status.
- 5.9.1 Employees and subcontractors of the successful bidder will be required to sign a non-disclosure agreement.

5.10 Occupational Injuries and Diseases Act 13 of 1993

- 5.10.1 The Bidder warrants that all its employees (including the employees of any sub-contractor that may be appointed) are covered in terms of the Compensation for Occupational Injuries and Diseases Act 13 of 1993 and that the cover shall remain in force for the duration of the adjudication of this bid and/ or subsequent agreement. NHLS reserves the right to request the Bidder to submit documentary proof of the Bidder's registration and "good standing" with the Compensation Fund, or similar proof acceptable to NHLS.

5.11 Formal contract

- 5.11.1 This RFB, all the appended documentation and the proposal in response thereto read together, form the basis for a formal contract to be negotiated and finalised between NHLS and/or its clients and the enterprise(s) to whom NHLS awards the bid in whole or in part.
- 5.11.2 Any offer and/or acceptance entered verbally between NHLS and any vendor, such offer shall not constitute a contract and thus not binding on the parties.

5.12 Instructions for submitting a proposal

- 5.12.1 One (1) original, one (1) hard copy and 1 (one) electronic copy on compact disk (CD) in Portable Document Format (PDF) of the Bid shall be submitted on the date of closure of the Bid.
- Pricing: Bid Price must be submitted in a separate envelop and marked clearly as follows: RFB number, RFB description and bidder's name).** One (1) original, one (1) hard copy and 1 (one) electronic copy on compact disk (CD) in Portable Document Format (PDF) of the Bid shall be submitted on the date of closure of the Bid.

The original copy must be signed in black ink by an authorised employee, agent or representative of the bidder and each and every page of the proposal shall contain the initials of same signatories.

- 5.12.2 Bidders shall submit proposal responses in accordance with the prescribed manner of submissions as specified above.
- 5.12.3 Bids must be submitted in a prescribed response format herewith reflected as **Response Format**, and be sealed in an envelope clearly marked.

- 5.12.4 Bids that are too large to fit into the tender box must be handed in at the reception desk during office hours from 08:00- 16:30 or before 11:00 on the closing date.
- 5.12.5 All Bids in this regard shall only be accepted if they have been placed in the bid box before or on the closing date, **21 January 2026** and **stipulated time, 11h00 am**.
- 5.12.6 Bids received after the time stipulated shall not be considered.
- 5.12.7 Bid responses sent by post or courier must reach this office at least **36 hours** before the closing date to be deposited into the proposal box. Failure to comply with this requirement shall result in your proposal being treated as a “late proposal” and shall not be entertained. Such proposal shall be returned to the respective bidders.
- 5.12.8 **No proposal shall be accepted by NHLS if submitted in any manner other than as prescribed above.**
- 6. Response format**
- 6.1 Bidders shall submit response in accordance with the response format specified below. Failure to do so shall result rejecting vendor’s response. No referrals may be made to comment. Failure to comply shall result in the vendor being penalised.
- 6.2 Schedule Index:**
- 6.2.1 **Schedule 1:** Pages 1 – 22 General conditions of contract of this RFB document.
- 6.2.2 **Schedule 2:** Mandatory Documents
- 6.2.2.1 An original valid Tax Clearance Certificate or a Tax Compliance Status letter (with pin) issued by the South African Revenue Services or a CSD Report reflecting active Tax Clearance Compliance status.
If a Consortium, Joint Venture or Subcontractor, an original valid Tax Clearance Certificate or a Tax Compliance Status letter (with pin) issued by the South African Revenue Services or a CSD Report reflecting active Tax Clearance Compliance status must be submitted for each member. (Annexure B)
- 6.2.2.2 National Industrial Participation Programme Certificate from the DTI (read paragraph 5.5 in conjunction with Annex E – SBD 5) (If applicable).
- 6.2.2.3 Central Supplier Database (CSD) Registration Report
- 6.2.2.4 General Conditions of Contract (Annexure E).
- 6.2.3 **Schedule 3:** Executive Summary of proposal
- 6.2.4 **Schedule 4:** Technical/Functionality
- 6.2.5 **Schedule 5:** Preferential Procurement Claim form and copy of the B-BBEE Verification Certificate(s) issued by an authorised body or person, or a sworn affidavit prescribed by the B-BBEE Codes of Good Practice.
- 6.2.7 **Schedule 6:** Bidder’s Disclosure SBD 4 (Annexure C).
- 6.2.8 **Schedule 7:** Bidder Profile:
- 6.2.8.1 Credentials of the company/consortium members etc.
- 6.2.8.2 Structure of the company/ consortium members etc.
- 6.2.8.3 Partnership agreements/contracts

6.2.9 **Schedule 8: Bid Price (to be submitted in a separate envelop and marked clearly as follows: RFB number, RFB description and bidder's name) (Annexure B).**

6.3 Bidder background information materials:

- 6.3.1 Bidder Operating Organisation – Provide an overview of the operating structure and geographical locations of the firm at the national, regional, and local levels.
- 6.3.2 Standards – Include information regarding your firm's utilization of widely known Industry Standards and guidelines, as they apply to your firm, your firm's proposal and proposed hardware assets.
- 6.3.3 Company Contact(s) – Provide the name, title, street address, city, state, telephone and fax numbers and e-mail of the primary company's contact person, and for any sub-Contractors.
- 6.3.4 Corporate Financial Solvency - Provide solvency statement signed by a qualified independent auditor that the financial position of the company is sound and that the company will be able to mobilise financial resources to deliver the project.

7. Key personnel

- 7.1 Identify key personnel, by employer (include subcontractor(s) and provide contact information.

8. Reasons for Disqualification

- 8.1 NHLS reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder shall be notified in writing of such disqualification:
 - 8.1.1 bidders who submitted did not sign the mandatory documents;
 - 8.1.2 bidders who submitted information that is fraudulent, factually untrue or inaccurate, for example memberships that do not exist, B-BBEE credentials, experience, etc.;
 - 8.1.3 bidders who received information not available to other vendors through fraudulent means;
 - 8.1.4 bidders who do not comply with **mandatory requirements** as stipulated in this RFB; and
 - 8.1.5 bidders who fail to price according to the costing template provided;
 - 8.1.6 bidders who failed to attend the compulsory briefing session and/or compulsory site visit.

9. Bid Preparation

- 9.1 All additions to the proposal documents i.e. annexes, supporting documentation pamphlets, photographs, technical specifications and other support documentation covering the goods offered etc. shall be neatly bound as part of the schedule concerned.
- 9.2 All responses regarding questions posed in the annex attached herewith shall be answered in accordance with the prescribed **RFB Response Format**.
- 9.3 Telephonic, faxed, e-mailed or oral tenders shall not be accepted.

10. Oral presentations and Briefing Sessions

- 10.1 Bidders who submit Bids in response to this RFB may be required to give an oral presentation, which may include, but is not limited to, an equipment/service demonstration of their proposal to NHLS. This provides

an opportunity for the vendor to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. NHLS shall schedule the time and location of these presentations. Oral presentations are an option of NHLS and may or may not be conducted and must not be construed as being successful in, or, awarded the tender.

11. General Conditions of Bid and Conditions of Contract

11.1 Bidders shall provide full and accurate answers to all (including mandatory) questions posed in this document, and, are required to explicitly indicate either "Comply/Accept (with a ✓)" or "Do not comply/Do not accept (with an X)" regarding compliance with the requirements. Where necessary, the bidder shall substantiate their response to a specific question.

NOTE: It is mandatory for bidders to complete or answer this part fully (11.2 to 11.34); otherwise, their bid shall be treated as incomplete and shall be disqualified. Refer to paragraph 8 of this document (reasons for disqualification).

11.2

This bid is subject to the General Conditions of Contract stipulated in this document.	Accept	Do not Accept

11.3

The laws of the Republic of South Africa shall govern this RFB and the Bidders hereby accept that the courts of the Republic of South Africa shall have the jurisdiction.	Accept	Do not Accept

11.4

NHLS shall not be liable for any costs incurred by the bidder in the preparation of response to this RFB. The preparation of response shall be made without obligation to acquire any of the items included in any bidder's proposal or to select any proposal, or to discuss the reasons why such vendor's or any other proposal was accepted or rejected.	Accept	Do not Accept

11.5

NHLS Procurement Services may request written clarification regarding any aspect of this proposal. The bidders must supply the requested information in writing within the specified time frames after the request has been made, otherwise the proposal shall be disqualified.	Accept	Do not Accept

11.6

In the case of Consortium, Joint Venture or subcontractors, bidders are required to provide copies of signed agreements stipulating the work split and Rand value.	Accept	Do not Accept

11.7

In the case of Consortium, Joint Venture or subcontractors, all bidders are required to provide mandatory documents as stipulated in schedule 1 of the Response format.	Accept	Do not Accept

11.8

NHLS reserves the right to; cancel or reject any proposal and not to award the proposal to the lowest bidder or award parts of the proposal to different bidders, or not to award the proposal at all.	Accept	Do not Accept

11.9

Where applicable, bidders who are distributors, resellers and installers of network equipment are required to submit back-to-back agreements and service level agreements with their principals.	Accept	Do not Accept

11.10

By submitting a proposal in response to this RFB, the bidders accept the evaluation criteria as it stands.	Accept	Do not Accept

11.11

Where applicable, NHLS reserves the right to conduct benchmarks on product/services offered during and after the evaluation.	Accept	Do not Accept

11.12

NHLS reserves the right to conduct a pre-award survey during the source selection process to evaluate contractors' capabilities to meet the requirements specified in the RFB and supporting documents.	Accept	Do not Accept

11.13

Where the bid calls for commercially available solutions, bidders who offer provide future based solutions will be disqualified.	Accept	Do not Accept

11.14

The bidder should not qualify the proposal with own conditions. Caution: If the bidder does not specifically withdraw its own conditions of proposal when called upon to do so, the proposal response shall be declared invalid.	Accept	Do not Accept

11.15

Should the bidder withdraw the proposal before the proposal validity period expires, NHLS reserves the right to recover any additional expense incurred by NHLS having to accept any less favourable proposal or the additional expenditure incurred by NHLS in the preparation of a new RFB and by the subsequent acceptance of any less favourable proposal.	Accept	Do not Accept

11.16

Delivery of and acceptance of correspondence between NHLS and the bidder sent by prepaid registered post (by air mail if appropriate) in a correctly addressed envelope to either party's postal address or address for service of legal documents shall be deemed to have been received and accepted after (2) two days from the date of postage to the South African Post Office Ltd.	Accept	Do not Accept

11.17

Should the parties at any time before and/or after the award of the proposal and prior to, and-or after conclusion of the contract fail to agree on any significant product price or service price adjustments, change in technical specification, change in services, etc. NHLS shall be entitled within 14 (fourteen) days of such failure to agree, to recall the letter of award and cancel the proposal by giving the bidder not less than 90 (ninety) days written notice of such cancellation, in which event all fees on which the parties failed to agree increases or decreases shall, for the duration of such notice period, remain fixed on those fee/price applicable prior to the negotiations. Such cancellation shall mean that NHLS reserves the right to award the same proposal to next best bidders as it deems fit.	Accept	Do not Accept

11.18

In the case of a consortium or JV, each of the authorised enterprise's members and/or partners of the different enterprises must co-sign this document.	Accept	Do not Accept

11.19

Any amendment or change of any nature made to this RFB shall only be of force and effect if it is in writing, and an Amendment to the RFB will be issued. Bidders will be required to utilise the latest Amendment in preparation of their bid response.	Accept	Do not Accept

11.20

Failure or neglect by either party to (at any time) enforce any of the provisions of this proposal shall not, in any manner, be construed to be a waiver of any of that party's right in that regard and in terms of this proposal. Such failure or neglect shall not, in any manner, affect the continued, unaltered validity of this proposal, or prejudice the right of that party to institute subsequent action.	Accept	Do not Accept

11.21

Bidders who make use of subcontractors. The proposal shall however be awarded to the Vendor as a primary contractor who shall be responsible for the management of the awarded proposal. No separate contract shall be entered into between NHLS and/or its client and any such subcontractors. Copies of the signed agreements between the relevant parties must be attached to the proposal responses.	Accept	Do not Accept

11.22

All services supplied in accordance with this proposal must be certified to all legal requirements as per the South African law.	Accept	Do not Accept

11.23

No interest shall be payable on accounts due to the successful vendor in an event of a dispute arising on any stipulation in the contract.	Accept	Do not Accept

11.24

Evaluation of Bids shall be performed by a CFET established by NHLS. Bids shall be evaluated on the basis of conformance to the required specifications as outlined in the RFB. Points shall be allocated to each bidder, on the basis that the maximum number of points that may be scored for price is 80/90, and the maximum number of preference points that may be claimed for Specific Goals (according to the PPPFA) is 20/10.	Accept	Do not Accept

11.25

Prior to the award of any tender or contract the NHLS will check the Prohibition status of recommended suppliers/ service providers on the Treasury website (restricted@treasury.gov.za) as well as the Treasury Register for Tender Defaulters (www.treasury.gov.za)	Accept	Do not Accept

11.26

The NHLS will act against the bidder or person awarded the contract upon detecting that the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the contract conditions have not been fulfilled.	Accept	Do not Accept

11.27

The NHLS may, in addition to any other remedy that it may have against the bidder or person: - Disqualify the bidder or person from the bidding process; - Recover all costs, losses or damages it has incurred; - or suffered as a result of that person's conduct; - 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; - Restrict the bidder or contractor, its shareholders; - and directors, or only the shareholders and directors; - who acted on a fraudulent basis, from obtaining business; - from any organ of state for a period not exceeding 10; - years, after applying the audi alteram partem (hear the other side) rule; - Forward the matter for Blacklisting by Treasury; and - Forward the matter for criminal prosecution	Accept	Do not Accept

11.28

If the successful bidder disregards contractual specifications, this action may result in the termination of the contract.	Accept	Do not Accept

11.29

The bidders' response to this Tender, or parts of the response, shall be included as a whole or by reference in the final contract.	Accept	Do not Accept

11.30

NHLS has discretion to extend the validity period should the evaluation of this bid not be completed within the stipulated validity period.	Accept	Do not Accept

11.31

Upon receipt of the request to extend the validity period of the bid, the bidder must respond within the required time frames and in writing on whether or not he agrees to hold his original bid response valid under the same terms and conditions for a further period.	Accept	Do not Accept

11.32

Should the bidder change any wording or phrase in this document, the bid shall be deemed unresponsive and may lead to the disqualification of the bid response.	Accept	Do not Accept

11.33

The cost validation for Analysers and reagents for the validation will be borne by the supplier and NHLS will not be charged for this	Accept	Do not Accept

11.34

No alternative tender offers will be considered.	Accept	Do not Accept

12. Evaluation Criteria and Methodology

12.1 Evaluation of tenders and selection of contractors'/service providers

The NHLS is a Schedule 3A Government Institution subjected to the Public Finance Management Act (PFMA), the Public Preferential Framework Act (PPPFA) and Treasury Regulations/ Instructions. Bidders must assist the NHLS to eliminate corruption and fraud by completing and submitting form SBD4.

- 12.1.1. Any tender closing is followed by a Public Opening where the names and pricing of all bids received are read out to the bidders attending. NHLS tender opening officials sign the pages where pricing is indicated to prevent any alterations.
- 12.1.2 Next steps of evaluation is administrative pre-qualification verification and the "technical" or so called "functional" evaluation which is purely based on NHLS specifications (Annexure 2) and Scope of Work. NHLS end-user department (who *requested the bid*), Procurement Services, Finance and subject specialists are part of the Cross Functional Evaluation Team (CFET) meeting which is chaired by Quality Assurance (QA). *All the members of the CFET must complete Declaration of Interest forms and must recuse themselves in case of any conflict of interest.*
- 12.1.3 The final stage of evaluation is done after the CFET has reached their verdict and is done by NHLS Procurement Services and separately from the CFET meeting. Points for Specific Goals (commercial evaluation) is being added in order to get the final order of merit for the bidders being evaluated.
- 12.1.4 Bidders that score the minimum threshold are recommended and submitted to the NHLS Tender Evaluation Committee (TAC) for adjudication and the bid MUST be awarded to the bidder who scored the highest points (Merit 1) during the CFET and Commercial evaluation(B-BBEE). *All the members of*

*the CFET must complete Declaration of Interest forms and must recuse themselves in case of any conflict of interest. **Should the TAC decide on a bidder other than Merit 1, this decision must be motivated as a Deviation from NHLS Policy & procedure and Treasury must be advised accordingly.***

- 12.1.5 The CEO of the NHLS must finally approve the recommendation by the TAC, in his capacity as the Accounting Officer.
- 12.1.6 Details of the successful bidder to be advertised in the Government Tender Bulletin.
- 12.1.7 Suppliers must accept the Terms & Conditions of our contract(s) which will result from the RFB document". RFB conditions and pricing shall be fixed and firm from RFB closing date to the end of contract.

12.2 BID EVALUATION STAGES

The bid evaluation process consists of several stages that are applicable according to the nature of the bid as defined below:

Stage 1: Administrative Compliance verification.

Stage 2: Technical Mandatory requirement evaluation.

Stage 3: Price / Specific Goals evaluation.

NOTE: The bidder must qualify for each stage to be eligible to proceed to the next stage of the evaluation.

12.3 ADMINISTRATIVE COMPLIANCE REQUIREMENTS

 Administrative compliance/responsiveness will be tested based on returnable documents submitted and signatures on the Bid documents.

 At this stage, it must be determined what documents are required to be returned by Bidders.

Returnable documents are categorised as follows:

1.1 ADMINISTRATIVE COMPLIANCE REQUIREMENTS

Mandatory Returnable Documents

(NOTE: Failure to provide the below listed documents WILL lead to disqualification)

1. Proof of Attendance of Compulsory Briefing session.	Comply	Do Not Comply
Substantiation: The bidder is to indicate whether they have attended the Compulsory Briefing session.		
2. The Service Providers have to agree with NHLS General Conditions of Bid and Conditions of Contract.	Comply	Do Not Comply
Substantiation: The bidder must submit and attach to the bid response the signed and accepted NHLS General Conditions of Bid and Conditions of Contract.		
3. Audited annual financial statements not older than two years.	Comply	Do Not Comply
Substantiation: The bidder must submit and attach to the bid response, a copy of audited annual financial statements including signed external auditors report.		

Essential Returnable Documents

(NOTE: Failure to provide the below listed documents MAY lead to disqualification).

1. Fully completed and signed Bidder's Disclosure SBD 4.	Comply	Do Not Comply
Substantiation: The bidder must submit and attach to the bid response the signed Bidder's Disclosure SBD4.		
2. Preferential Procurement Claim form and copy of the B-BBEE Verification Certificate(s) issued by an authorised body or person or a sworn affidavit prescribed by the B-BBEE Codes of Good Practice.	Comply	Do Not Comply
Substantiation: The bidder must submit and attach to the bid response a copy of a valid certificate.		
3. Submission of original valid Tax Clearance Certificate, a Tax Compliance Status letter (with pin) issued by the South African Revenue Services, or a CSD Report reflecting active Tax Clearance Compliance status.	Comply	Do Not Comply
Substantiation: The bidder must submit and attach to the bid response a copy of a valid certificate.		
4. Proof of Central Supplier Database (CSD) Registration.	Comply	Do Not Comply
Substantiation: The bidder must submit a CSD Report with the bid response.		

12.4 The **80/20** PPPFA principle and the points for evaluation criteria are as follows:

Price points	80
Specific goals	20
Total	100 points

ANNEXURE A: Technical Specification

1 SPECIAL INSTRUCTIONS TO VENDORS

- 1.1 Should a Bidder have reasons to believe that the Technical Specification is not open and/or is written for a particular brand or product; the Bidder shall notify Procurement Services within ten (10) days after publication of the bid.
- 1.2 Bidders shall provide full and accurate answers to the mandatory questions posed in this document, and, where required explicitly state either "Comply/Not Comply" regarding compliance with the requirements. Bidders **must** substantiate their response to all questions, including full details on how their proposal/solution will address specific functional requirements. All documents as indicated must be supplied as part of the submission.
- 1.3 Bidders are encouraged to promote the growth and development of SMME's, and will be assessed on their efforts in this regard during the evaluation of this Tender.

2 ACRONYMS AND ABBREVIATIONS

Term	Definition
EBS	Oracle e-Business Suite
DR	Disaster Recovery
DB	Database
NHLS	National Health Laboratory Service
PMO	Project Management Office
SLA	Service Level Agreement

3 BACKGROUND

3.1 VISION

To provide high-quality pathology and laboratory services that are clinically efficient and cost-effective.

3.2 MISSION

To provide pathology and laboratory services through competent professionals and state-of-the-art technology, supported by evidence-based research, training, and innovation to enhance integrated service delivery to meet the needs of the population.

3.3 ABOUT US

The NHLS is a national public entity established in terms of the National Health Laboratory Service Act, No. 37 of 2000, governed by a Board to provide quality, affordable, and sustainable health laboratory services, training, and research. It was established in 2001, by amalgamating the former South African Institute for Medical Research (SAIMR), the National Institute for Virology and the National Centre for Occupational Health. It is managed according to the provisions of the National Health Laboratory Service Act, the NHLS Rules, and the Public Finance Management Act (PFMA), No. 1 of 1999 (as amended).

Through its countrywide network of quality-assured diagnostic laboratories, the NHLS is the sole provider of diagnostic pathology services to over 80 percent of the South African population. It also provides surveillance support for communicable diseases, occupational health and cancer.

Our specialised institutes include the National Institute for Communicable Diseases (NICD) incorporating National Cancer Registry(NCR), the National Institute for Occupational Health (NIOH), Forensic Chemistry Laboratories (FCL) and the South African Vaccine Producers (SAVP), as our subsidiary. **The NHLS has laboratories in all nine provinces, employing over 8000 people. Assets are geographically spread across about 233 laboratories and various other locations across the country.**

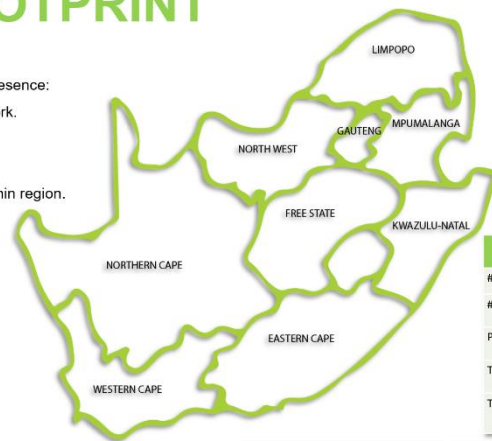
NHLS FOOTPRINT

Operating model

- Nine provinces with national presence:
 - Nationwide laboratory network.
- Regional presence:
 - Administration by 6 regions
 - Individual business units within region.

Province	Northern Cape
# of Labs	5
# of Health Facilities	228
Population	1.3 million
Total Revenue	137 million
Total Test Volumes	2.0 million

Province	Western Cape
# of Labs	19
# of Health Facilities	532
Population	7.2 million
Total Revenue	1.29 billion
Total Test Volumes	13.6 million



Province	Eastern Cape
# of Labs	45
# of Health Facilities	1053
Population	6.7 million
Total Revenue	1.08 billion
Total Test Volumes	11.2 million

Province	Free State
# of Labs	9
# of Health Facilities	387
Population	2.9 million
Total Revenue	631 million
Total Test Volumes	5.5 million

Province	North West
# of Labs	14
# of Health Facilities	397
Population	4.2 million
Total Revenue	518 million
Total Test Volumes	6.1 million

Province	KwaZulu-Natal
# of Labs	56
# of Health Facilities	809
Population	11.5 million
Total Revenue	2.88 billion
Total Test Volumes	28.4 million

Province	Gauteng
# of Labs	27
# of Health Facilities	542
Population	16.1 million
Total Revenue	3.25 billion
Total Test Volumes	30.7 million

Province	Limpopo
# of Labs	37
# of Health Facilities	642
Population	5.9 million
Total Revenue	596 million
Total Test Volumes	6.9 million

Province	Mpumalanga
# of Labs	21
# of Health Facilities	407
Population	4.7 million
Total Revenue	619 million
Total Test Volumes	6.1 million

Please refer to ANNEXURE C for a comprehensive list of locations for all NHLS & SAVP assets.

The NHLS is Mandated to:

- Provide cost-effective and efficient Health Laboratory Services to all public sector healthcare providers
- Support and conduct Health Research; and
- Provide Training for Health Science Education in conjunction with medical facilities at universities and universities of technology.

The South African Vaccine Producers (Pty) Limited (SAVP) is wholly owned by the NHLS. The SAVP is the only South African manufacturers of antivenom for the treatment of:

- Snake
- Scorpion and
- Spider envenomation

Anti-venoms produced by the SAVP include:

- Polyvalent antivenom
- Echis antivenom
- Boomslang antivenom
- Spider antivenom
- Scorpion antivenom

The NHLS use ORACLE ERP system for Fixed Assets and all other finance modules.

The NHLS currently does not have a software to perform physical verification.

Bidders will be required to utilise their own system to ensure that the physical verification process is efficient.

4 SUBMISSION OF THE ANNUAL FINANCIAL STATEMENTS

As stipulated in section 55(1)(a) of the Public Finance Management Act, Act No 1 of 1999 Accounting Authority must prepare annual financial statements for each financial year in accordance with Standards of Generally Recognised Accounting Framework and must submit those annual financial statements within two months after the end of the financial year to external auditors and National Treasury. For the 2025/26 financial year for a period of six (6) months, the NHLS must submit its consolidated and separate Annual Financial Statements on 31 May 2026.

5 INVITATION FOR PROPOSALS

The (NHLS) invites suitably qualified bidders to submit proposals to perform asset verification at all NHLS locations, review the useful lives, perform impairment tests, update the Fixed Asset Register (FAR) and assist in addressing audit findings from the 2023/24 & 2024/25 financial years as well as audit support during the 2025/26 financial year for a period of six (6) months.

6 CURRENT STATUS

- a) The NHLS and SAVP currently do have Fixed Asset Registers (FAR) in place, however the following concerns exist.
 - i) The NHLS requires assistance with restatement of Property plant and Equipment (and corresponding depreciation and impairment) and various audit findings which were identified during the 2023/24 & 2024/25 financial year.
 - ii) Assets carried at R1 costs which require values to be assigned.
 - iii) Assets depreciation calculated incorrectly
 - iv) Assets not included in the FAR
 - v) Assets in the FAR that could not be traced physically
 - vi) Assets not in good condition included in the FAR that need to be assessed for impairment where applicable
 - vii) Asset names and descriptions which are incorrectly captured in the asset register.
 - viii) There are assets which are no longer in use that are still recorded In the FAR
 - ix) Expenditure incorrectly capitalised
 - x) Assets incorrectly expensed
 - xi) There are some assets included in the FAR that are not tagged
 - xii) Herewith below is a breakdown of items and values in the asset register per category as at 30 September 2025 for the NHLS and SAVP

NHLS

Description	No of items	Cost R'000	Accumulated Depreciation R'000	Carrying Amount R'000
Buildings	67	38 359	3 133	35 226
Buildings - air system	16	4 242	765	3 477
Computer equipment	13892	598 885	491 048	107 837
Computer Software	71	78 241	65 499	12 742
Furniture and fittings	4859	20 327	9 965	10 362
Laboratory equipment	17715	1 679 872	1 224 179	455 693
Land	8	109 867	0	109 867
Lab buildings	171	713 828	179 207	534 621
Mobile Units	117	58 688	39 020	19 668
				-
Motor Vehicles	190	96 932	94 400	2 532
Office Equipment	4225	71 188	50 939	20 249
Patents	1	60	51	9
Plant and machinery	195	18 125	12 969	5 156
Total	41 527	3 488 619	2 171 175	1 317 439

SAVP

Description	No of items	Cost R'000	Accumulated Depreciation R'000	Carrying Amount R'000
Computer equipment	27	533	345	188
Furniture and fittings	49	129	109	20
Laboratory equipment	120	4 636	4 233	402
Office Equipment	21	52	52	9
Sheep	38	29	19	10
Horses	34	126	43	83
TOTAL	289	5 509	4 803	705

7 SCOPE OF WORK

Confidential

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RFB162/25/26 The (NHLS) invites suitably qualified bidders to submit proposals to perform asset verifications at all NHLS locations, review the useful lives, perform impairment tests, update the Fixed Asset Register (FAR) and assist in addressing audit findings from the 2023/24 & 2024/25 financial years as well as audit support during the 2025/26 financial year for a period of SIX (6) months.

- ✓ Physical verification of all assets across all NHLS and SAVP locations
- ✓ Reconciliation of the FAR and the General Ledger for 2022/23, 2023/24, 2024/25 and 2025/26 financial years.
- ✓ Review the appropriateness of the Property, Plant and Equipment (PPE) accounting policy in accordance with the Standard of Generally Recognised Accounting Practice – Property Plant and Equipment (GRAP) and ensure that they have been applied accordingly and consistently.
- ✓ Review the useful lives and residual values of all assets and provide appropriate journal entries and associated disclosures in accordance with GRAP
- ✓ Identify and assess assets for impairment and provide relevant journals in accordance with GRAP
- ✓ Identify R1/NIL value assets and assign appropriate values to them in accordance with GRAP
- ✓ Scrutinize the general ledger (GL) accounts, with special focus on accounts in which assets may have been inappropriately expensed, e.g. repairs and maintenance accounts, and ensure that all PPE purchases were correctly accounted and capitalized in the GL.
- ✓ Propose required journals and disclosures for any prior period error adjustments that may be required based on the work performed in line with GRAP 3. The comparatives are currently misstated as there was a qualification on PPE for the 2023/24 and 2024/25 financial years.
- ✓ Review the PPE Disclosure Note in the Annual Financial Statements (AFS) in accordance with GRAP and advise on any amendments required based on the outcomes of the work performed
- ✓ Be readily available to provide audit assistance for any asset-related audit findings related where required.
- ✓ Submit complete and auditable files for all work carried out as part of the handover. (Prepare an Audit File for Property Plant & Equipment for submission to the Auditors.)
- ✓ Skills Transfer on Assets Management

Note

- The scope of work excludes property valuation of land and buildings

8 TIMEFRAMES

The FAR is one of the key supporting schedules to the Annual Financial Statements (AFS). In order to meet the legislated timeframes for submission of the 2025/26 AFS to external auditors on 31 May 2025 the below timeframes are applicable to this project.

No	Deliverable	Timeline
1	Assets verifications (across all NHLS and SAVP locations)	31 March 2026
2	A complete FAR and supporting documentation	24 April 2026
3	All journals for processing in the General Ledger	24 April 2026
4	Auditable file of all work carried out	24 April 2026
5	Review of PPE note	30 April 2026
6	Skills Transfer	Throughout the project
7	Ad hoc technical assistance with audit findings 2025/26	Throughout the audit

9 EXPECTED DATE OF COMMENCEMENT

The successful bidder will be expected to commence with the project on the estimated date of 2 February 2026.

10 MANDATORY REQUIREMENTS

Bidder must submit a matrix of contactable clients (**Annexure A provided**) and for each client indicate the following-

- ✓ Entity where services were provided
- ✓ Name **and** position of the contact person of the entity where services were rendered

- ✓ Telephone/cell phone number, email address of the contact person for verification
- ✓ Financial year when the assets-related services were rendered
- ✓ Nature of PPE-related services were rendered
- ✓ No of assets in the asset register **under review** by the bidder
- ✓ Total Cost of the assets **under review**
- ✓ Indicate the whether the accounting framework utilised where services were provided was GRAP or not [GRAP Yes/No]
- ✓ Indicate if your services improved the external audit outcomes for Property, plant and equipment.
- ✓ Explain the nature of the turnaround
- ✓ Attach the relevant reference letter

The NHLS is a national public entity established in terms of the National Health Laboratory Service Act, No. 37 of 2000, governed by a Board to provide quality, affordable, and sustainable health laboratory services, training, and research. It was established in 2001, by amalgamating the former South African Institute for Medical Research (SAIMR), the National Institute for Virology and the National Centre for Occupational Health. It is managed according to the provisions of the National Health Laboratory Service Act, the NHLS Rules, and the Public Finance Management Act (PFMA), No. 1 of 1999 (as amended).

Through its countrywide network of quality-assured diagnostic laboratories, the NHLS is the sole provider of diagnostic pathology services to over 80 percent of the South African population. It also provides surveillance support for communicable diseases, occupational health and cancer.

Our specialised institutes include the National Institute for Communicable Diseases (NICD) incorporating National Cancer Registry(NCR), the National Institute for Occupational Health (NIOH), Forensic Chemistry Laboratories (FCL) and the South African Vaccine Producers (SAVP), as our subsidiary. The NHLS has laboratories in all nine provinces, employing over 8000 people. Assets are geographically spread across about 233 laboratories and various other locations across the country.

11 MANDATORY REQUIREMENTS

If a bidder does not comply fully with each of the mandatory requirements, it Shall be regarded as mandatory non-performance/non-compliance and the bid Shall be disqualified. No “unanswered” questions will be allowed. If a response to a question has been indicated as comply but not elaborated upon or substantiated it shall be regarded as mandatory non- performance/non-compliance and the bid shall be disqualified.

Bidders shall provide full and accurate answers to the mandatory questions posed in this document, and, where required, explicitly state either “Comply/Accept (with a “Yes”)” or “Do not comply/do not accept (with a “No”)” regarding compliance to the requirements. Bidders must substantiate their responses to all mandatory questions. PLEASE NOTE: If the response does not substantiate any of the points or requirements in the body of the tender, it will be deemed to not comply, even if the ‘Comply’ field has been marked. Please note: All documentation to substantiate the mandatory requirements has to be supplied.

12 TECHNICAL MANDATORY REQUIREMENTS:

(Note: The bidder who fails to comply with the Mandatory Requirement WILL be disqualified).

12.1 Technical Suitability: Mandatory Requirements

W		
Bidder must submit a matrix of contactable clients (<u>Please complete Annexure 1</u>) and for each client indicate the following- ✓ Entity where services were provided ✓ Name and position of the contact person of the entity where services were rendered ✓ Telephone/cell phone number, email address of the contact person for verification ✓ Financial year when the assets-related services were rendered ✓ Nature of PPE-related services were rendered ✓ No of assets in the asset register under review by the bidder ✓ Total Cost of the assets under review ✓ Indicate the whether the accounting framework utilised where services were provided was GRAP or not [GRAP Yes/No] ✓ Indicate if your services improved the external audit outcomes for Property, plant and equipment, where there were prior year external audit qualification paragraph/s in the audit report. ✓ Explain the nature of the turnaround where there were prior year external audit qualification paragraph/s in the audit report. ✓ Attach the relevant reference letter	Comply	Do Not Comply
Substantiate: Bidders will be disqualified in the following instances i. The matrix (Annexure A) is not submitted ii. The matrix utilised ((Annexure A) differs from the matrix provided in the RFB iii. The matrix is not fully completed		
The bidder must demonstrate all following on the matrix that for at least two of the entities where services were rendered [<i>In addition to the matrix, supporting reference letters for these two entities must be attached</i>]. The bidder will be disqualified if it does not meet the criteria for at least two entities where services were rendered.	Comply	Do Not Comply
Substantiate: i. No of assets in the asset register under review by the bidder are at least 20 000 AND the total cost of the assets under review by the bidder were R1 billion or more ii. There was improvement in external audit outcomes for Property, Plant and equipment as a result of services rendered by the bidder where there were prior year external audit qualification paragraph/s in the audit		

report.

- iii. Accounting framework where services rendered was GRAP/IFRS
- iv. The nature of the services related to the following or similar work:
 - a. Compilation of Fixed Asset Registers in the public sector using GRAP/IFRSb.
Reviewing/Reconfiguring and or/updating of Fixed Asset Registers in the public sector using GRAP/IFRS
 - c. Physical verification of assets

For purposes of similar work, note that where the scope of work at the qualifying entity was limited to immovable assets only, it will NOT be considered.
- v. Supporting contactable reference letters for these two entities

12.2 TECHNICAL/FUNCTIONALITY EVALUATION CRITERIA

A minimum threshold of 80% need to be achieved to be considered for further evaluation.

No.	EVALUATION CRITERIA - (PROVIDE PROOF BY MEANS OF BROCHURE/SUBSTATIATIVE EVIDENCE FOR EACH LINE ITEM UNLESS OTHERWISE SPECIFIED)	SCORE %	Substantiate Reference
1.	<u>Company Experience</u> Submit a company profile which must include number of years experience with Fixed Assets Related services in the public sector.- <u>Please complete Annexure 2</u> A company profile clearly indicating the number of years' experience with Fixed asset related services in the public sector and a list of clients must be submitted as evidence. • <1 year experience – 0% 1 year -3 years – 10% • > 3- 5 years' experience – 15% • >5 years – 25%	25%	
	Substantiate: Bidders will be allocated 0% in the following instances i. The matrix (Annexure B) is not submitted, or ii. The matrix utilised (Annexure B) differs from the matrix provided in the RFB, or iii. The matrix is not fully completed		
2.	<u>Reference letters and contactable references</u> Reference letters with contactable references where similar work was performed in line with Standards of GRAP/IFRS in the public sector. Contactable references must relate to work performed in the past five (5) recent financial years. Any reference letters that relate to work performed in the period older than five (5) previous financial years will NOT be considered.	20%	

No.	EVALUATION CRITERIA - (PROVIDE PROOF BY MEANS OF BROCHURE/SUBSTATIATIVE EVIDENCE FOR EACH LINE ITEM UNLESS OTHERWISE SPECIFIED)	SCORE %	Substantiate Reference
	• Less than two reference letters with contactable references – 0% • Two reference letters with contactable references– 5 % • Three reference letters with contactable references– 10 % • Four reference letters with contactable references – 15% • Five or more reference letters with contactable references– 20% Similar work means the following: ➤ Physical verification of assets ➤ Compilation of Fixed Asset Registers in the public sector using GRAP/IFRS ➤ Reviewing and or/updating of Fixed Asset Registers in the public sector using GRAP/IFRS ➤ Review of useful lives and impairment of assets in terms of GRAP/IFRS For purposes of similar work, note that where the scope of work at the entity was limited to immovable assets only, it will NOT be considered.		
3.	<u>Sufficient and appropriately qualified and experienced Project Leader and Manager - <i>Please complete Annexure 2</i></u> Accreditation, relevant qualifications, and experience of the project Team/ Project Leader (Copy of SAICA membership certificate, Curriculum Vitae (CVs) must be submitted for points to be allocated) Relevant qualifications and experience means the following- i) Project Leader and Manager must both be qualified Chartered Accountants (CA) with projects performing similar work related to fixed assets in the public sector using GRAP/IFRS framework. ii) Project /Team leader and Manager should have post-articles public sector experience with application of GRAP/IFRS. ✓ 2x Qualified Chartered Accountants with relevant experience [0 combined projects of similar work] - 0% ✓ 2x Qualified Chartered Accountants with relevant experience [1-3 combined projects of similar work] - 5%	25%	

No.	EVALUATION CRITERIA - (PROVIDE PROOF BY MEANS OF BROCHURE/SUBSTATIATIVE EVIDENCE FOR EACH LINE ITEM UNLESS OTHERWISE SPECIFIED)	SCORE %	Substantiate Reference
	✓ 2x Qualified Chartered Accountants with relevant experience [>3-6 combined projects of similar work] - 10% ✓ 2x Qualified Chartered Accountants with relevant experience [> 6 combined projects of similar work] – 25%		
4.	<u>Sufficient and appropriately qualified and experienced Team Members (Excluding the Project/Team Leader)</u> Accreditation, relevant qualifications, and experience of the team members [Copies of qualifications, Curriculum Vitae (CVs) must be submitted for points to be allocated] Relevant qualifications and experience means the following • <50% Team members have BCom Accounting with completed articles – 5% • 50% and more of team members have a BCom Accounting with completed articles – 15% • All team members have a minimum BCom Accounting with articles – 25%	25%	
5.	Project plan ➤ Detailed project plan with clear assignment of resources linked to the project scope and timelines. Project plan should include skills transfer- 5% ➤ Project plan is not clear/no clear link of resources for the project scope and/or no clear timelines. Project plan should include skills transfer - 0%	5%	
Total score		100%	

NNEXURE B: Pricing Schedule

Please indicate your total bid price here: R_____ (inclusive of all applicable taxes, e.g. VAT)

Important:

It is mandatory to indicate your total bid price as requested above. This price must be the same as the total bid price you submit in your pricing schedule. Should the total bid prices differ, the total bid price indicated above shall be considered the correct price.

The following must be noted:

1. All prices must be VAT inclusive of all applicable taxes and must be quoted in South African Rand (ZAR).
2. All prices must be firm and fixed from the tender closing date and for the duration of the contract
3. All the consortium or joint venture partners must submit a complete set of the latest audited financial statements.
4. All bidders must cost according to the costing template provided or this will lead to disqualification.

5.

The cost of installation, delivery, site preparation etc. Must be included in this proposal.	Comply	Do Not Comply
Substantiate / Comments.		

6.

No price adjustments that are 100% linked to exchange rate variations shall be allowed.	Comply	Do Not Comply
Substantiate / Comments.		

7.

The bidder must indicate clearly which portion of the purchase price as well as the monthly costs is linked to the exchange rate.	Comply	Do Not Comply
Substantiate / Comments.		

8.

All additional costs must be clearly specified.	Comply	Do Not comply
Substantiate / Comments.		

**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: **RFB162/25/26** Closing Time **11:00 am** Closing date: **21 January 2026**

Bid Price (Vat incl.) R_____

OFFER TO BE VALID FOR **180 DAYS** FROM THE CLOSING DATE OF BID.

ITEM	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
NO.			** (ALL APPLICABLE TAXES INCLUDED)
-	Required by:	_____	
-	At:	_____	
-	Brand and model	_____	
-	Country of origin	_____	
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not to specification, indicate deviation(s)	_____	
-	Period required for delivery	_____	*Delivery: Firm/not firm
-	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.**

PRICE DECLARATION FORM- OUTRIGHT PURCHASE

Dear Madam /Sir,

Having read through and examined the Tender Document, **RFB162/25/26: The (NHLS) invites suitably qualified bidders to submit proposals to perform asset verifications at all NHLS locations, review the useful lives, perform impairment tests, update the Fixed Asset Register (FAR) and assist in addressing audit findings from the 2023/24 & 2024/25 financial years as well as audit support during the 2025/26 financial year for a period of six (6) months.**

as detailed in the bid document, for the total Tendered Contract Sum of in:

_____ (VAT Incl.) Amount in Words

R_____ (VAT Incl.) Amount in Numbers

We confirm that this price covers all activities associated with **RFB162/25/26: The (NHLS) invites suitably qualified bidders to submit proposals to perform asset verifications at all NHLS locations, review the useful lives, perform impairment tests, update the Fixed Asset Register (FAR) and assist in addressing audit findings from the 2023/24 & 2024/25 financial years as well as audit support during the 2025/26 financial year for a period of six (6) months.**

We confirm that NHLS will incur no additional costs whatsoever over and above this amount in connection with the supply of this solution.

We further confirm that all licences required for complete implementation of the solution, and the costs associated therewith, as well as any licences that may be required for future expansion have been fully described and disclosed in this document.

We undertake to hold this offer open for acceptance for a period of **180 days** from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with delivery when required to do so by the Client.

Moreover, we agree that until formal Contract Documents have been prepared and executed, this Form of Tender, together with a written acceptance from the Client shall constitute a binding agreement between us, governed by the terms and conditions set out in this Request for Proposals.

We understand that you are not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this tender.

We hereby undertake for the period during which this tender remains open for acceptance not to divulge to any persons, other than the persons to which the tender is submitted, any information relating to the submission of this tender or the details therein except where such is necessary for the submission of this tender.

SIGNED: _____ **DATE:** _____

Print name of signatory)

Designation

FOR AND ON BEHALF OF:

COMPANY NAME

Tel No

Fax No

Cell No

NHLS**Pricing Schedule**

Bidders *must* provide the NHLS with costing information for a six (6) months contract duration. The bid price quoted must be inclusive as per the scope of work.

Note:

- a) Bidder must complete the pricing as per tables below.
- b) Prices must be provided in South African Rand (R).
- c) Line Prices are all VAT EXCLUDING, and TOTAL PRICE is VAT INCLUSIVE.
- d) Bidders to ensure that the Prices listed below are included on the Total Declared Price.
- e) Bidders who fail to price according to the costing template provided will be disqualified.
- f) Bidders are encouraged to submit the electronic pricing schedule.
- g) Please refer to ANNEXURE C for a comprehensive list of locations for all NHLS & SAVP assets.

NHLS

External consultants	Monthly Cost Month 1 (VAT Excl.)	Monthly Cost Month 2 (VAT Excl.)	Monthly Cost Month 3 (VAT Excl.)	Monthly Cost Month 4 (VAT Excl.)	Monthly Cost Month 5 (VAT Excl.)	Monthly Cost Month 6 (VAT Excl.)	Total Cost for 6 Months (VAT Excl.)
Fixed Assets Verification	R	R	R	R	R	R	R
• Gauteng	R	R	R	R	R	R	R
• Corporate Region	R	R	R	R	R	R	R
• NICD	R	R	R	R	R	R	R
• Eastern Cape	R	R	R	R	R	R	R
• Forensic Chemistry Laboratory	R	R	R	R	R	R	R
• Free State	R	R	R	R	R	R	R
• North West	R	R	R	R	R	R	R
• Western cape	R	R	R	R	R	R	R
• Northern Cape	R	R	R	R	R	R	R
• NIOH	R	R	R	R	R	R	R
• Kwa Zulu Natal	R	R	R	R	R	R	R
• Mpumalanga	R	R	R	R	R	R	R
• Limpopo	R	R	R	R	R	R	R

Assets reconciliation for FY 2022/23	R	R	R	R	R	R	R
Assets reconciliation for FY 2023/24	R	R	R	R	R	R	R
Assets reconciliation for FY 2024/25	R	R	R	R	R	R	R
Assets reconciliation for FY 2025/26	R	R	R	R	R	R	R
Review the appropriateness of the Property, Plant and Equipment (PPE) and intangible assets accounting policies	R	R	R	R	R	R	R
Review the useful lives and residual values –	R	R	R	R	R	R	R
Perform Impairment test -	R	R	R	R	R	R	R
Assign value to R1/NIL value assts	R	R	R	R	R	R	R
Scrutinize the general ledger (GL) accounts for classification issues	R	R	R	R	R	R	R
Propose prior period error journals and AFS disclosure notes	R	R	R	R	R	R	R
Review the PPE Disclosure Note in the Annual Financial Statements (AFS)	R	R	R	R	R	R	R
Submit Final Fixed Asset Register	R	R	R	R	R	R	R
Prepare and submit PPE Note for AFS	R	R	R	R	R	R	R

Audit assistance / support	R	R	R	R	R	R	R
Training – skills transfer	R	R	R	R	R	R	R
Travel and accommodation	R	R	R	R	R	R	R
• Gauteng	R	R	R	R	R	R	R
• Corporate Region	R	R	R	R	R	R	R
• NICD	R	R	R	R	R	R	R
• Eastern Cape	R	R	R	R	R	R	R
• Forensic Chemistry Laboratory	R	R	R	R	R	R	R
• Free State	R	R	R	R	R	R	R
• North West	R	R	R	R	R	R	R
• Western cape	R	R	R	R	R	R	R
• Northern Cape	R	R	R	R	R	R	R
• NIOH	R	R	R	R	R	R	R
• Kwa Zulu Natal	R	R	R	R	R	R	R
• Mpumalanga	R	R	R	R	R	R	R
• Limpopo	R	R	R	R	R	R	R
Subtotal (VAT Excl.)	R	R	R	R	R	R	R

VAT (15%)	R	R	R	R	R	R	R
Total (VAT Incl.)	R	R	R	R	R	R	R

GRAND TOTAL

BID PRICE

SAVP

External consultants	Monthly Cost Month 1 (VAT Excl.)	Monthly Cost Month 2 (VAT Excl.)	Monthly Cost Month 3 (VAT Excl.)	Monthly Cost Month 4 (VAT Excl.)	Monthly Cost Month 5 (VAT Excl.)	Monthly Cost Month 6 (VAT Excl.)	Total Cost for 6 Months (VAT Excl.)
Fixed Assets Verification	R	R	R	R	R	R	R
Assets reconciliation for FY 2022/23	R	R	R	R	R	R	R
Assets reconciliation for FY 2023/24	R	R	R	R	R	R	R
Assets reconciliation for FY 2024/25	R	R	R	R	R	R	R
Assets reconciliation for FY 2025/26	R	R	R	R	R	R	R
Review the appropriateness of the Property, Plant and Equipment (PPE) accounting policy	R	R	R	R	R	R	R
Review the useful lives and residual values –	R	R	R	R	R	R	R
Perform Impairment test	R	R	R	R	R	R	R
Assign value to R1/NIL value assts	R	R	R	R	R	R	R
Scrutinize the general ledger (GL) accounts for classification issues	R	R	R	R	R	R	R
Propose prior period error journals and AFS disclosure notes	R	R	R	R	R	R	R
Sthe PPE Disclosure Note in the	R	R	R	R	R	R	R

Annual Financial Statements (AFS)							
Submit Final Fixed Asset Register	R	R	R	R	R	R	R
Prepare and submit PPE Note for AFS	R	R	R	R	R	R	R
Audit assistance / support	R	R	R	R	R	R	R
Training – skills transfer	R	R	R	R	R	R	R
Subtotal (VAT Excl.)	R	R	R	R	R	R	R
VAT (15%)	R	R	R	R	R	R	R
Total (VAT Incl.)	R	R	R	R	R	R	R

GRAND TOTAL

BID PRICE

NHLS
ANNEXURE C: Bidder's Disclosure (SBD4)

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

- 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:

.....
.....

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

2.3 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 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

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.

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

ANNEXURE D: Preferential Procurement Claim Form (SBD6.1)
SBD 6.1
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

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

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 80/20 preference point system.
- b) The 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).
- (f) **“Historically Disadvantaged Individual (HDI)”**
 - i. Means a South African citizen who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No. 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) (“The Interim Constitution”) and /or
 - ii. Who is a female; and/or
 - iii. Who has a disability
- (g) **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- (h) **“Youth”** Has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008)
- (i) **“Specific goals”** means specific goals as contemplated in section 2(1)(d) of the PPPFA which may include contracting with persons, or group of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.

3 FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

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 points is allocated for price on the following basis

80/20

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

Where

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

POINTS AWARDED FOR SPECIFIC GOALS

- 3.1. 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:
- 3.2. 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 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 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

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 80/20 preference point system.

Points awarded for historically disadvantaged individuals.

Preference points for HDI's are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula is prescribed

$$NEP = NOP \times \frac{EP}{100}$$

Where

- NEP = Points awarded for equity ownership by an HDI.
- NOP = The maximum number of points awarded for equity by an HDI in that specific category.
- EP = The percentage of equity ownership by an HDI within the enterprise or business, determined in accordance with the definition of HDI's.

A consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification certificate for every separate tender.

NHLS

Specific Goals

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

(Note to organs of state: The 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	Means of Verification	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 (Means a South African citizen who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No. 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) ("The Interim Constitution").	Valid B-BBEE Certificate/Affidavit Sworn Under Oath, ID Copy of Owner/S of The Business / Ownership Certificate Issued by Companies and Intellectual Property Commission (CIPC).	5	
Woman	Valid B-BBEE Certificate/Affidavit Sworn under oath, ID copy of owner/s of the business / Ownership certificate issued by Companies and Intellectual Property Commission (CIPC).	4	
Disabled	Valid B-BBEE	1	

The specific goals allocated points in terms of this tender	Means of Verification	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)
	Certificate/Affidavit Sworn under oath, ID copy of owner/s of the business / Ownership certificate issued by Companies and Intellectual Property Commission (CIPC).		
Youth	Valid B-BBEE Certificate/Affidavit Sworn under oath, ID copy of owner/s of the business/ Ownership certificate issued by Companies and Intellectual Property Commission (CIPC).	5	
Locality - Gauteng = 5 - National = 2	CSD/proof of municipal account /letter from the Ward Council confirming the business address. Lease agreement.	5	
Total Points		20	

NHLS

DECLARATION WITH REGARD TO COMPANY/FIRM

3.3. Name of company/firm.....

3.4. Company registration number:

3.5. 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]

3.6. 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:

.....

.....

SWORN AFFIDAVIT: B-BBEE QUALIFYING SMALL ENTERPRISE: GENERAL

I, the Undersigned

Full Name and Surname:	
Identity Number:	

Hereby declare under oath as follows:

- The contents of this statement are to the best of my knowledge a true reflection of the facts.
- I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading (if applicable):	
Enterprise Physical Address:	
Type of Entity (CC, Pty Ltd, Sole Prop etc.)	
Nature of Business:	
Definition of "Black People:	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – - Who are citizens of the Republic of South Africa by birth or descent; or - Who became citizens of the Republic of South Africa by naturalization- - Before 27 April 1994; or - On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date

- I hereby declare under Oath that:

- The Enterprise is _____% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.
- The Enterprise is _____% Black Woman Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.
- The Enterprise is _____% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.

- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands).
- Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% Black Owned	Level One (135% B-BBEE procurement recognition level)	
At least 51% Black Owned	Level Two (125% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.

5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths

Signature and Stamp

SWORN AFFIDAVIT: B-BBEE QUALIFYING MICRO ENTERPRISE: GENERAL

I, the Undersigned

Full Name and Surname:	
Identity Number:	

Hereby declare under oath as follows:

- The contents of this statement are to the best of my knowledge a true reflection of the facts.
- I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	
Trading (if applicable):	
Enterprise Physical Address:	
Type of Entity (CC, Pty Ltd, Sole Prop etc.)	
Nature of Business:	
Definition of "Black People:	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – c. Who are citizens of the Republic of South Africa by birth or descent; or d. Who became citizens of the Republic of South Africa by naturalization- iii. Before 27 April 1994; or iv. On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date

- I hereby declare under Oath that:
 - The Enterprise is _____% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.
 - The Enterprise is _____% Black Woman Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.
 - The Enterprise is _____% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013.
 - Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of _____, the annual Total Revenue was between R10,000,000.00 (Ten Million Rands) or less.

- Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

100% Black Owned	Level One (135% B-BBEE procurement recognition level)	
At least 51% Black Owned	Level Two (125% B-BBEE procurement recognition level)	
Less than 51% Black Owned	Level Four (100% B-BBEE procurement recognition level)	

- I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.
- The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths

Signature and Stamp

ANNEXURE E: Government Procurement: General Conditions of Contract – July 2011

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 GCC 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 GCC. 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.
- 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 anything 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 organisation purchasing the goods.
- 1.22 "Republic" means the RSA.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

2.2 Where applicable, SCC are also laid down to cover specific supplies, services or works.

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection

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

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

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

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

6. Patent rights

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

7. Performance security

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

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - 7.3.1 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
 - 7.3.2 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 organisation 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 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.

- 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:
- 13.1.1 performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - 13.1.2 furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - 13.1.3 furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 13.1.4 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
 - 13.1.5 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:
- 14.1.1 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
- 14.1.2 in the event of termination of production of the spare parts:
- 14.1.2.1 Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
- 14.1.2.2 following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this 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.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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:
- 23.1.1 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;
 - 23.1.2 if the Supplier fails to perform any other obligation(s) under the contract; or
 - 23.1.3 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:
 - 23.6.1 the name and address of the supplier and / or person restricted by the purchaser;
 - 23.6.2 the date of commencement of the restriction
 - 23.6.3 the period of restriction; and
 - 23.6.4 the reasons for the restriction.
- 23.7 These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.8 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,
- 27.5.1 the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- 27.5.2 the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- 28.1.1 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
- 28.1.2 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 SARSs.

33. National Industrial Participation (NIP) Programme

- 33.1 The NIP Programme administered by the DTI shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of restrictive practices

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other

remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

The above General Conditions of Contract (GCC) are accepted by:

Name:	
Designation:	
Bidder:	
Signature:	
Date:	