Knysna
Municipality • Munisipaliteit • uMasipala
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QUOTATION INVITATIONS

RFQ NUMBER:		**RFQ260/2025/26**	
RFQ PROJECT DESCRIPTIONS:		**TO APPOINT A SERVICE PROVIDER TO PERFORM EXTERNAL WASTE AUDITS ON WASTE MANAGEMENT FACILITIES WITHIN THE KNYSNA MUNICIPAL AREA + AIRSPACE DETERMINATION I.T.O GRAP COMPLIANCE**	
ADVERTISEMENT DATE:		**04/05/2026**	
CLOSING TIME:	**12:00**	**CLOSING DATE:**	**11/05/2026**
Quotations must be submitted in electronic format to procurement@knysna.gov.za. **SUBJECT:RFQ NUMBER ONLY RFQ260/2025/26**		**Quotations must be submitted in electronic format to procurement@knysna.gov.za.** **SUBJECT:RFQ NUMBER ONLY RFQ260/2025/26**	
NAME OF THE SUPPLIER			
TOTAL RFQ PRICE:			
B-BBBE LEVEL STATUS:			
PREFERENCE POINT CLAIMED			
CSD SUPPLIER NUMBER			
CSD UNIQUE REFERENCE NUMBER			
FOR OFFICE USE ONLY ***SUPPLY CHAIN MANAGEMENT***		***CHECKED BY: ……………………………………………………………………*** ***SIGNATURE:……………………………………………………………………*** ***VERIFIED BY: ……………………………………………………………*** ***SIGNATURE: ……………………………………………………………***	

KNYSNA MUNICIPALITY **RFQ NOTICE AND INVITATION TO SUBMIT** **DETAILS OF THE SUPPLIER**							
NAME OF THE SUPPLIER							
TRADING AS (if different from above)**:**							
TYPE OF THE COMPAY							
STREET ADDRESS:							
	City/Town		**Code**				
POSTAL ADDRESS:							
	City/Town		**Code**				
CONTACT PERSON:							
COMPANY REGISTRATION NUMBER:		**CIDB CRS NUMBER**:					
TCS PIN		**FACSIMILE NUMBER:**					
E-MAIL ADDRESS:							
TELEPHONE NUMBER:		**CELLPHONE NUMBER:**					
HAS TAX COMPLIANCE STATUS PIN BEEN ATTACHED?				**YES**	**NO**		
HAS AN ORIGINAL OR CERTIFIED COPY OF A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)				**YES**	**NO**		
HAS THE DECLARATION BEEN COMPLETED AND CURRENT, ORIGINAL OR CERTIFIED MUNICIPAL ACCOUNTS BEEN ATTACHED? (MBD 15)				**YES**	**NO**		
DECLARATION							
I am duly authorised individual to represent the company for the purpose of this RFQ and hereby submit the RFQ to supply service or goods and in accordance with specifications clearly defined in the attached document, and on terms and conditions of the Knysna Municipality.							
FULL NAME AND SURNAME		**SIGNATURE**					
CAPACITY		**DATE**					

MBD1

	KNYSNA MUNICIPALITY		
	QUOTATION NOTICE AND INVITATION TO SUBMIT		
NOTICE NO	**RFQ260**	**DEPARTMENT**	**WASTE MANAGEMENT**

ADVERTISED OR PUBLISHED	**Published**

QUOTATION NO:	**RFQ260/2025/26**	**PUBLISHED DATE:**	**04/05/2026**

QUOTATION DESCRIPTION	**TO APPOINT A SERVICE PROVIDER TO PERFORM EXTERNAL WASTE AUDITS ON WASTE MANAGEMENT FACILITIES WITHIN THE KNYSNA MUNICIPAL AREA + AIRSPACE DETERMINATION I.T.O GRAP COMPLIANCE**

AVAILABILITY OF BID DOCUMENTS:

Quotation documents can be downloaded from the Knysna Municipality website: www.knysna.gov.za. (Information Centre>SCM>QOUTATION)

OBTAINABLE DATE	**13/04/2026**	

QUOTATION'S GENERAL TERMS AND CONDITIONS

- Prices quoted must be firm, inclusive of VAT where applicable be on the company letter Head with company address, registration number and contact details, signed and shall remain valid for 90 days.
- All Municipal Bidding Document must be completed and dully authorized by the designated Individuals (MBD1, MBD4, MBD 6.1, MBD8, MBD9.
- The Total amount of the Quotation is below R300 000.00 and only one service provider will be appointed upon the approval of the purchase order by the Municipality.
- In cases where companies don't have letter heads, their quotations must be stamp with company stamp containing the company details.
- 30 days payments terms and conditions of the invoices will be applicable and after the delivery of goods and services in the Municipality.
- The status of the suppliers Municipal account must be submitted. All prices quoted must be itemized in accordance with expected deliverables or detailed price/ cost breakdown.
- Quotation will be evaluated according to the **80/20** preference points system. The RFQ's are subject to the Preferential Procurement Policy Framework Act 2000 and the Preferential Procurement Regulations 2022
- The Municipality reserves the right to withdraw any invitation to Quotation and/or re-advertise or to reject any Quotation or to accept a party. The Municipality reserve the right not to accept the lowest Quotation or to award RFQ to the supplier scoring the highest number of points.
- The total amount of RFQ not to exceed R300 000.00

NO RFQ WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE AS DEFINED IN THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS (GOVERNMENT GAZETTE NO 40553 DATED 20 JANUARY 2017)..

Suppliers who are not yet registered are required to register on the Municipality's Accredited Supplier Database as well as the CSD. Application forms are obtainable from the official website – www.Knysna.gov.za.

Preferential Procurement Point System Applicable	80/20	**Local Content Requirement**	N/A
CIDB REGISTRATION		**Validity Period**	**90 Days**

VALIDITY PERIOD	Notwithstanding the period of validity of bids as set out in the bid documents, Knysna Municipality reserves its right to extend the validity period, should you not be willing to hold your bid valid in all respects for further period as requested, it will lapse on expiry of the current validity period.		
INFORMATION SESSION	**N/A**		
ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:		**ANY ENQUIRIES REGARDING THE RFQ PROCEDURE MAY BE DIRECTED TO:**	
SECTION	SOLID WASTE	**SECTION**	Supply Chain Management
CONTACT PERSON	0609987013 (Manager Waste Management) 044302 6405 (Office – Acting Waste Management)	**CONTACT PERSON**	Phindiswa Mseleni
Tel:	**Written Enquiries Only**	**Tel:**	**Written Enquiries Only**
Email:	**nsalmons@knysna.gov.za**	**Email:**	pmseleni@knysna.gov.za
RECOMMENDED BY: CHIEF FINANCIAL OFFICER		**APPROVEY BY ACTING MUNICIPAL MANAGER**	**Dr R Martin**
SIGNATURE:		**SIGNATURE**	

MBD 1

Version 1.4

MBD 2

KNYSNA MUNICIPALITY **TAX CLEARANCE CERTIFICATE REQUIREMENTS**	
It is a condition of tender that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations, before an award may be considered.	
1.	In order to meet this requirement bidders are required to complete in full the form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2.	Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
3.	SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4.	The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5.	In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
6.	Applications for Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website www.sars.gov.za.

MBD 4

KNYSNA MUNICIPALITY DECLARATION OF INTEREST			
1.	No bid will be accepted from persons in the service of the state*.		
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.		
3.	**In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**		
3.1.	Full Name of bidder or his / her representative:		
3.2.	Identity number:		
3.3.	Position occupied in the Company (director, trustee, shareholder²)		
3.4.	Company Registration Number:		
3.5.	Tax Reference Number:		
3.6.	VAT Registration Number:		
3.7.	The names of all directors / trustees / shareholders / members, their individual identity numbers and state employee numbers (where applicable) must be indicated in paragraph 4 below.		
3.8.	Are you presently in the service of the state*	**YES / NO**	
3.8.1.	If yes, furnish particulars.		
3.9.	Have you been in the service of the state for the past twelve months?	**YES / NO**	
3.9.1.	If so, furnish particulars.		
3.10.	Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	**YES / NO**	
3.10.1.	If so, state particulars.		
3.11.	Are you aware of any relationship (family, friend, other) between the bidder and any person in the service of the state who may be involved with the evaluation and or	**YES / NO**	

	adjudication of this bid?		
3.11.1.	If so, state particulars.		
3.12.	Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?	**YES / NO**	
3.12.1.	If so, state particulars.		
3.13.	Is any spouse, child or parent of the company's directors, trustees, managers, principal shareholders or stakeholders in service of the state?	**YES / NO**	
3.13.1.	If so, furnish particulars.		
3.14.	Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?	**YES / NO**	
3.14.1.	If so, furnish particulars.		
4.	Full details of directors / trustees / members / shareholders:		

COMPLETION OF THE FOLLOWING INFORMATION IS COMPULSORY:

Full Name	Identity Number													Individual Tax Number for each Director	State Employee Number

CERTIFICATION

I CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

NAME OF ENTERPRISE			
CAPACITY		**DATE**	

NAME (PRINT)		SIGNATURE	

[1]MSCM Regulations: "in the service of the state" means to be -	
a)	a member of – (i) any municipal council; (ii) any provincial legislature; or **(iii)** the National Assembly or the National Council of Provinces; **(iv)**
b)	a member of the board of directors of any municipal entity;
c)	an official or any Municipality or municipal entity;
d)	an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
e)	a member of the accounting authority of any national or provincial entity; or
f)	an employee of Parliament or a provincial legislature.
[2]"Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercise control over the company.	

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REQUIREMENTS:

TO APPOINT A SERVICE PROVIDER TO PERFORM EXTERNAL WASTE AUDITS ON WASTE MANAGEMENT FACILITIES WITHIN THE KNYSNA MUNICIPAL AREA + AIRSPACE DETERMINATION I.T.O GRAP COMPLIANCE

(A)

(a) SUBJECT

The successful bidders to this tender (hereinafter referred to as the "Waste Auditor") will be required to perform waste management facility (WMF) external audits (hereinafter referred to as "waste audits") in terms of the section 34 of the Environmental Impact Assessment (EIA) Regulations, 2014 (EIA Regulations, 2014), associated with compliance monitoring in terms of the Waste Management Licences (WMLs) issued as a result of the Environmental Impact Assessment process, which will be the subject of the final waste audit reports, which will be compiled in the format prescribed by and submitted to the Licensing Authority.

(b) BACKGROUND

The Constitution if the Republic of South Africa, 1996 prescribes that Municipalities are responsible for the collection, management and disposal of solid waste and maintenance of WMFs. Waste management activities are carried out at these WMFs that require WMLs from the Licensing Authority which comply with the associated Waste Management Legislation, including the National Environmental Management Waste Act 2008 (Act59 of 2008).

To obtain a Waste Management Licence, an Environmental Impact Assessments (EIA), process needs to be completed, in which the associated impacts on the environment are established and pre-determined.

By performing waste facility audits, the mitigation measures proposed during the EIA and Waste Licensing Application process, can be monitored for effectiveness, and compliance to these conditions. The report as a result of the waste facility audit needs to consider the conditions of authorization in the Permits, WMLs and EMPr(s), as well as all the impacts of the waste activities on the environment.

The purpose of this terms of reference is to request skilled service providers to submit formal quotations to perform the external and independent waste audits on WMFs based on the permit and licence conditions.

(c) OBJECTIVES

To ensure that the municipality remains compliant with the conditions of the Permits, WMLs and EMPr(s), the Municipality must ensure that the WMFs are audited externally by an independent auditor. The findings of the waste audits must be compiled by the independent Waste Auditor, and submitted to the Licensing Authority for review.

The objectives of the waste audit will be to:

- Ensure that this Municipality complies with the conditions regarding external audits to be performed as stipulated in the Permits, WMLs and EMPr(s).
- Monitor the impacts on the environment based on the conditions of the Permits, WMLs and EMPr(s), which must also be in line with the objectives specified in the EIA Regulations, 2014 as included under the Scope, in section 4.5 of this document.

ii) SCOPE

3.1 Waste Management Licence and Permit compliance auditing

The scope of work for the appointed independent Waste Auditor will be, to establish the level of compliance with the conditions of the Permits, WMLs and EMPr(s), granted for the waste listed activities of the WMFs specified in the list of WMFs in section 5.1.

All conditions included in the Permits, WMLs and EMPr(s) will be considered to be applicable and will have to be audited. The only conditions that cannot be audited are those conditions regarding the appeals process and conditions regarding decommissioning of a WMF while it is operational and vice versa.

Where the independent Waste Auditor does not have the expertise to audit a condition, an external source will have to be procured to audit the condition, at no additional cost to this Municipality if such a need arises.

If certain conditions require Permit and WML variations, the independent Waste Auditor must specify the reasons for recommending the variations.

The following items are expected to fall within the scope of the waste audit on WMFs, so as to monitor:

- The general activities, whether operation or rehabilitation, is in accordance with the authorised activities.
- The locations of the facilities according to the GPS co-ordinates contained within the Permits and WMLs.
- The footprints of facilities according to the GPS co-ordinates contained within the Permits and WMLs.

- Site security and access control, including notice boards, traffic control and perimeter/boundary fence according to the Permits, WMLs and EMPr(s).
- The maintaining of the buffer zone
- Calculating the remaining airspace.
- Prohibited waste reclamation activities on the working face of WDFs.
- The permissibility of waste disposed of at the WMFs according to the Permits and WMLs and the methods used to assess such permissibility for disposal at the WMFs.
- Whether the Waste Management Control Officer is fulfilling his/her duties in accordance with the Permits, WMLs and EMPr(s).
- The ease of access to the Permits, WMLs and EMPr(s) of the site personnel on the WMFs.
- The competency of the facility management staff to carry out their responsibilities in terms of the Permits, WMLs and EMPr(s).
- Specific conditions related to decommissioning (when applicable):
    - Whether a closure report has been submitted timeously and in accordance with the relevant Permit and WML conditions.
    - The decommissioning construction and determine whether it has been carried out and maintained in accordance with the Permits and WMLs.
    - Whether decommissioning has been supervised by a Professional Civil Engineer, registered under the Engineering Profession of South Africa Act, 2000.
    - Leachate management infrastructure and determine whether it has been constructed and maintained in accordance with the Permit and WML conditions.
- The Standard Operating Procedures (SOPs).
- The prevention of breeding of vermin and vectors and prevention of nuisance conditions, such as flies, dust, odour, litter, noise, burning of waste and health risks.
- Complaints and incidents registers and determine whether they are appropriately maintained and stored for easy reference.
- Compliance regarding all surface water and groundwater quality management and the interpretation of the water sample analyses in accordance with the Permit and WML requirements.
- Compliance regarding all investigations that may be required and determine whether they were timeously completed and submitted to the Licensing Authority.
- Compliance regarding all internal and external waste audit reports and determine whether they were conducted according to the frequencies specified in the Permit and WML conditions.

- Compliance with the conditions related to the Residence Monitoring Committees according to the Permits, WMLs and EMPr(s).
- The records kept and determine whether they were maintained according to the Permit and WML conditions as well as reporting to the Licensing Authority's waste information systems.

Other factors to be audited which may not be directly related to the Permit and WML conditions:

- Progressive rehabilitation of WDFs.
- Staff structures.
- Occupational Health and Safety of personnel.
- Training of personnel.
- First aid and emergency plans.
- Accident and incident reporting.
- Compliance with, the quality of the water discharged into the environment via surface and sub-surface flow, according to the Revision of General Authorisations in terms of section 39 of the National Water Act, 1998 (Act No.39 Of 1998), Government Notice No. 665 of 6 September 2013.

3.2 Environmental Management Programme (EMPr) compliance auditing

The EMPr approved as part of the Environmental Impact Assessment process will have to be audited for compliance.

3.3 Standard Operating Procedures

Any Standard Operating Procedures (SOPs) or Operational Environmental Management Programme(s) (OEMPr) of the WMF, if previously approved by the Director: Waste Management of the Department of Environmental Affairs and Development Planning (DEA&DP), must be included in the scope of the audit, particularly if no EMPr has been prepared for the WMFs, to be audited.

3.4 NEMA, SEMAs and NEM: WA

It is necessary to monitor compliance with all relevant environmental legislation. However, the focus of the waste audit will be compliance with National Environmental Management Act (NEMA), 1998 (Act No. 107 0f 1998) and all Specific Environmental Management Acts (SEMAs), including the National Environmental Management: Waste Act (NEM: WA), 2008 (Act No. 59 0f 2008).

The independent Waste Auditor must determine whether any provisions of the NEMA, including all SEMAs, which includes the NEM: WA, were transgressed. The appropriate rectification process must be proposed by the independent Waste Auditor if any transgression were found.

3.5 Environmental Impact Assessment Regulations, 2014

The independent Waste Auditor must ensure that the requirements specified in Appendix 7 of the Environmental Impact Assessment Regulations, 2014, is achieved by the waste audit report, which states:

"Environmental audit report

1. The environmental audit report must provide for recommendations regarding the need to amend the EMPr, and where applicable, the closure plan.

Objectives of the environmental audit report

2. The objective of the environmental audit report is to—

(a) report on—

(i) the level of compliance with the conditions of the environmental authorisation and the EMPr, and where applicable, the closure plan; and

(ii) the extent to which the avoidance, management and mitigation measures provided for in the EMPr, and where applicable, the closure plan achieve the objectives and outcomes of the EMPr, and closure plan;

(b) identify and assess any new impacts and risks as a result of undertaking the activity;

(c) evaluate the effectiveness of the EMPr, and where applicable, the closure plan;

(d) identify shortcomings in the EMPr, and where applicable, the closure plan; and

(e) identify the need for any changes to the avoidance, management and mitigation measures provided for in the EMPr, and where applicable, the closure plan.

Content of environmental audit reports

3. (1) An environmental audit report prepared in terms of these Regulations must contain—

(a) details of the—

(i) independent person who prepared the environmental audit report; and

(ii) expertise of the independent person that compiled the environmental audit report;

(b) a declaration that the independent auditor is independent in a form as may be specified by the competent authority;

(c) an indication of the scope of, and the purpose for which, the environmental audit report was prepared;

(d) a description of the methodology adopted in preparing the environmental audit report;

(e) an indication of the ability of the EMPr, and where applicable, the closure plan to—

(i) sufficiently provide for the avoidance, management and mitigation of environmental impacts associated with the undertaking of the activity on an on going basis;

(ii) sufficiently provide for the avoidance, management and mitigation of environmental impacts associated with the closure of the facility; and

(iii) ensure compliance with the provisions of environmental authorisation, EMPr, and where applicable, the closure plan;

(f) a description of any assumptions made, and any uncertainties or gaps in knowledge;

(g) a description of any consultation process that was undertaken during the course of carrying out the environmental audit report;

(h) a summary and copies of any comments that were received during any consultation process; and

(i) any other information requested by the competent authority."

3.6 ISO 14001 Standards

The independent Waste Auditor must also consider the ISO 14001 Standard procedures when conducting Waste Audits. Preference will be given to those waste auditors proposing to perform waste audits in accordance the ISO 14001 Standard.

iii) **Limitations**

4.1 WMFs list

The following WMFs will be audited:

- Old Place Garden Refuse Site
- Waste Transfer Station
- Sedgefield – Recycling centre
- Sedgefield - Green waste and Builders Rubble facility
- Brenton On Sea (Facility Closed/Rehabilitated)

4.2 Waste audit site inspections

It should be sufficient to have one site inspection performed for each WMF audited.

4.3 Audit cost

The cost of the audit must be submitted with the tender documents and must include 15% VAT.

(B)

AIRSPACE DETERMINATION I.T.O GRAP COMPLIANCE

LEGISLATIVE CONTEXT

In terms of Chapter 12 of the Municipal Finance Management Act, Act 56 of 2003- Financial Reporting and Auditing Section 122 of the act requires that;

(1) Every municipality and every municipal entity must for each financial year prepa re annual financial statements which

(a) fairly presents the state of affairs of the municipality or entity, its performance against its budget, its management of revenue, expenditure,assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year; and
(b) disclose the information required in terms of sections 123, 124 and 125.

(2) A municipality which has sole control of a municipal entity, or which has effective control within the meaning of the Municipal Systems Act of a municipal entity which is a private company, must in addition to complying with subsection (1), prepare consolidated annual financial statements
(3) Both annual financial statements and consolidated annual financial statements must be prepared in accordance with generally recognised accounting practice prescribed in terms of section 91 (1) (b) of the Public Finance Management Act.

GRAP 19 PROVISIONS

Provisions .21

A provision shall be recognised when:

(a) an entity has a present obligation (legal or constructive) as a result of a past event;
(b) it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and

(c) a reliable estimate can be made of the amount of the obligation.

Present value

.52 Where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation.

Project description – air space determination

The primary deliverables of the assignment are:

- To ensure that the municipality complies with the Municipal Systems Act No. 32 of 2000
- To ensure that the municipality complies with the National Environmental Management Act No. 107 of 19998
- To ensure that the municipality complies with the MFMA 56 of 2003 with regards to the AFS and Auditing
- To ensure that the Annual Financial Statements comply with GRAP requirements in particular GRAP 19;
- To ensure that the balances on the AFS are supported by relevant documentation
- To ensure that the municipality complies with the relevant pieces of legislation such as National Environmental Management Act.

Reporting

The service provider will be required to communicate any draft reports to the Manager Waste Management as well as to the Manager AFS, Compliance and Reporting

EVALUATION

All bids will be evaluated by a panel on basis of functionality (100%) and Price 80. The points scored for functionality will not be carried over to price, but will only be used as a gate keeping exercise. The final evaluation will be done in terms of the Council's Preferential Procurement Policy which states 80 for price and the remaining 20 for B-BBEE.

Point's allocation for functionality

1. Detailed criteria of evaluation of work experience within the last 8 years related to external audits of WDF and List of contactable references of similar municipal services previously done (20)
2. Proposed organization, staffing & key staff experience. (30)
   - Project Manager (15)
   - Supporting Staff (15)
3. Airspace determination (10)

NB: Only bidders who score a minimum of 75/90 points (83, 33%) will be further evaluated on price and BBBEE.

PRICING SCHEDULE

NO.	CONDUCT EXTERNAL AUDITS ON WML’s FOR:	PRICE
A		
1.	OLD PLACE GARDEN REFUSE SITE	
1.1	DEVELOP EMERGENCY PREPARDNESS PLAN	
1.1	PERFORM TOPOGRAPHIC SURVEY ON OLD PLACE G/R SITE	
2.	WASTE TRANSFER STATION	
2.1	DEVELOP EMERGENCY PREPARDNESS PLAN	
3.	SEDGEFIELD RECYCLING FACILITY	
4.	SEDGEFIELD GREEN WASTE AND BUILDERS RUBBLE FACILITY	
4.1	DEVELOP STORM WATER MANAGEMENT PLAN	
4.2	DEVELOP EMERGENCY PREPARDNESS PLAN	
5.	BRENTON ON SEA	
B.	AIR SPACE DETERMINATION/VALUATION I.T.O GRAP 19	
	OLD PLACE GARDEN REFUSE SITE	
	TOTAL (EXCL. VAT)	
	15% VAT	
	TOTAL (INCL.VAT)	

Price should include: • One (1) audit report – electronic copy per Waste Facility • Disbursement cost (allow for two days to audit facilities) • **External audits should be submitted to Department Environmental Affairs and Development Planning – Waste Management together with actions plans on none compliance (NC) items**	

iv) **Briefing session**

No briefing session will be held.

All WML's, Permits, EMPr (s) ,SOPs , OEMP (s) , information about the previous audit dates, and other documents will be made available to the successful bidders.

v) **Report Format and Structure**

The format of the report must be according to the DEA&DP's format as specified in the annexure of this terms of reference. The attached format will be regarded as the basis and a guideline to what is expected from the Director: Waste Management of the DEA&DP.

Recommendations to improve the level of compliance and it's associated, due dates, budget allocation and responsible personnel, must be included.

vi) **Report finalization, compilation and submission**

All WMFs must not be audited more often than required by the Permits, WMLs and EMPr(s).

The associated audit reports must be finalised, compiled and sent to the Director: Waste Management of the DEA&DP and the Waste Manager {Municipality to specify the rank of the delegated official here, in this case "Waste Manager" was used} of this Municipality, within 30 days of the site audit inspection.

vii) **Intellectual property**

The waste audit report produced by the appointed independent Waste Auditor will become the intellectual property of the Municipality.

Any person who wishes to view the waste audit report must formally request access to the report from the Municipality. Copies of the external waste audit report will, however, be made available at the residence monitoring committee meetings, to all persons who have signed the attendance register.

viii) **Penalties**

Late tender submissions will be rejected immediately.

The appointed independent Waste Auditor will have to be punctual and meet all timeframes. Punctuality will be an important factor when the Municipality considers the performance of the auditor. Since a late submission may result in the Municipality being non-compliant with conditions of the WMLs and Permits, a penalty of R2500 per late day will be incurred for any late submission. If the appointed Independent Waste Auditor displays regular disregard for punctuality, the Municipality may reconsider the independent Waste Auditor's appointment.

ix) **Evaluation of proposals**

10.1. Work Experience

The independent Waste Auditor shall insert in the spaces provided below a list of similarly completed contracts awarded to him/her and include those contracts currently being undertaken.

Table 10-1: Detailed evaluation of work experience

No.	Employer (Name, Tel. No.)	Nature of Work	Value of Work (R)	Date Completed
1.				
2.				
3.				

No.	Employer (Name, Tel. No.)	Nature of Work	Value of Work (R)	Date Completed
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				

Table 10-2: Detailed criteria of evaluation of work experience within the last 8 years (2015 – 2023) related to external audits of WDF. Proof of projects completed in the form of appointment letters/purchase orders or completion letters must be submitted to score points.

Score Applicable	Description
5	Bidder has limited experience: 1 to 3 similar contracts or no completed external waste audit reports for a WDF, Refuse or Waste Transfer Station (RTS or WTS), Integrated Waste Management Facility (IWMF).
10	Bidder has relevant experience: 4 to 5 similar contracts

Score Applicable	Description
15	Bidder has extensive experience in relation to the project and has worked previously under similar conditions and circumstances: 6 to 7 similar contracts
20	Bidder has outstanding experience in projects of a similar nature: more than 8 similar contracts

(20 POINTS)

PROPOSED ORGANIZATION, STAFFING & KEY STAFF EXPERIENCE

A CV of each key staff members of not more than 2 pages should be attached to this schedule.

The CV should be structured under the following headings:

1. Personal particulars

- name
- date and place of birth
- place (s) of tertiary education and dates associated therewith
- professional awards

2. Qualifications (degrees, diplomas, grades of membership of professional societies and professional registrations). Attach certificates

3. Position in the enterprise, for the project

4. Overview of post graduate / diploma experience (year, organization and position)

5. Outline of recent assignments / experience that has a bearing on the scope of work

The scoring of the experience of key staff will be as follows:

1. PROJECT MANAGER (NAME & SURNAME)

……………………………………………………………………………………………

Description	Points
Degree/ Diploma environmental science/ environmental management/ engineer	**5**
Registration with an environmental/ engineering professional body	**3**
2-4 years' experience on auditing of solid waste disposal facilities	**2**
5-10 years' experience on auditing of solid waste disposal facilities	**5**

(15 POINTS)

2. SUPPORTING STAFF (NAME & SURNAME)

………………………………………

Description	Points
Degree/ Diploma environmental science/ environmental management/ engineering	**5**
Registration with an environmental professional body	**3**
2 - 4 years' experience on auditing of solid waste disposal facilities	**2**
5 - 10 years' experience on auditing of solid waste disposal facilities	**5**

(15 POINTS)

B. Calculation of available airspace and provisional closure cost for landfill sites in terms of GRAP 17/19

Description	Points
1 Project – airspace determination i.t.o GRAP compliance	**5**
2 Projects – airspace determination i.t.o GRAP compliance – **proof submitted in terms of appointment letters, purchase orders or completion letters.**	**10**

(10 POINTS)

NB: Only bidders who score a minimum of 70/90 points (77, 77%) will be further evaluated on price and BBBEE.

12. Contract

The independent Waste Auditor will be appointed for a 1-year contract, commencing the {Municipality to insert date here} of each year, coinciding with the financial year of this Municipality.

13. Contactable Persons

Full Name of Municipal Official Directing the project: and Municipal Supply Chain required officials {delegated official's name- insert info}

Office Address: {insert info}

Postal Address: {insert info}

Tel.: {insert info}

Fax: {insert info}

E-mail: {insert info}

Website: {insert info}

14. DEA& DP Consultation

The DEA&DP will acknowledge, review and comment on the external waste audit reports submitted. The comments must be considered in the future audit reports, particularly where interpretation of the conditions of the Permits, WMLs and EMPr(s) are concerned.

ANNEXURE 1

COPY OF WASTE AUDIT REPORT TO BE USED BY THE SERVICE PROVIDER

{Service Provider - Company Logo}

{DOCUMENT TITLE}

Prepared by:

{WASTE AUDITOR'S NAME}

Prepared for:

{Municipality Name}

{Municipality Logo}

{REFERENCE NO. S}

{REPORT DATE}

(Revision 1.1)

Terms of reference

(Brief description of the terms of reference)

Executive summary

(Summary of the report)

Table of contents

List of figures

List of tables

1. Introduction

1.1. Subject

(Explain the subjects of the report – that it is in fulfilment of the requirements, for external environmental auditing, of the Environmental Impact Assessment Regulation, 2014)

(Etc.)

1.2. Background

(Background of the licence/permit issued for the activity and the requirements for internal and external compliance auditing of the site)

(History of the previous audit reports, with compliance ratings tabulated and graphical illustrations)

(History of action plans for becoming compliant)

(Explain how the current compliance audit will be related to the previous compliance audit of the site)

(Etc.)

1.3. Objectives

(This will include the objectives of the external environmental site audit and report).

(Briefly explain the criteria on which the compliance audit will be based and how the level of compliance will be determined).

(Etc.)

1.4. Scope and limitations

(The scope and limitations of the report – what will be covered and what is expected to be covered, but will not be covered by the report)

(Etc.)

1.5. Plan of development

(The unfolding of detailed information must be explained here – not to be confused with the method of investigation or methodology)

(Etc.)

2. **Legal framework**

(Details of the waste permit and WMLs – how these environmental authorisations were obtained and which legislative provisions must be considered and read with this audit report to effectively monitor the level of compliance)

(Etc.)

3. Methodology

(Description of the method of investigation followed in the environmental audit)

(Etc.)

3.1. Administrative meeting

(Description of the meeting with the licence holder)

(Etc.)

3.2. Desktop audit

(Description of the records and documents reviewed for the audit)

(Etc.)

3.3. Site inspection audit

(Description of the site audit methodology)

(Etc.)

4. Description of the Site and Waste Information

(Description of the site and the context of its location)

(Etc.)

5. General observations

On the day of the audit, observations were made in terms of compliance with the conditions of the Waste Management Licence/Permit/EMPr. These observations are reflected in the attached Audit Report.

The following acronyms were used in the Audit Report.

Table 5-1: List of acronyms

Acronym	Description	Compliance rating
NC	Non-compliant	0
PC	Partially compliant	1
C	Compliant	2
NA	Not audited	-

The shaded conditions in the compliance table included in Appendix A represent conditions of the Waste Management Licence/Permit/EMPr that were not audited for reasons as outlined in the comments column.

(Description of the site observations)

(Etc.)

6. **Audit findings, results and discussion**

(Description of the site audit findings, results and a discussion thereof)

(Etc.)

7. Compliance rating

An average compliance score is determined from which the overall compliance percentage is determined.

Average compliance score: 2.00

$$\frac{\sum\text{Total compliance score}}{\text{No. of Waste Management Licence conditions audited}} = \frac{4}{2}$$

Overall compliance rating: 100.00%

$$\frac{\text{Average compliance X 100}}{\text{Compliance score of 2}} = \frac{(4/2) \times 100}{2}$$

Table 7-1: Overall compliance of the Facility.

Description	Results
∑Total compliance score	4
No. of WML/Permit/EMPr conditions audited	2
Average compliance score	2.00
Score for fully compliant conditions	2
Overall compliance rating	100.00%

Table 7-2: Status indicator of the Facility.

Compliance rating	Status indicator		Action
85 – 100 %	Green	X	Minor improvements required
65 – 84 %	Amber		Improvements required
0 – 64 %	Red		Major improvements required

The compliance rating for the Facility from the audit performed falls in the green 'status indicator' and the Licence Holder must address the non-compliances urgently even though minor improvements are required.

8. **Conclusions and recommendations**

(Conclude the audit report)

(Make recommendations for the improvement of the compliance status of the Facility)

(Etc.)

9. **Bibliography**

1. Appendix A: Compliance table

WML / Permit / EMPr Conditions *NB: the shaded conditions were not audited	Previous Compliance Rating	Current Compliance Rating	Comments
6.1 Site security and access control			
6.1.1 **The Licence Holder must prevent unauthorised access to the site, by having the site enclosed.**	**0**	**2**	**The Facility is fenced in compliance with this condition.**
6.1.2 Weatherproof, durable and legible notices must be displayed at **each entrance to the site in at least three official languages applicable to the area. These notices must prohibit unauthorised entry, state the hours of operation, include the types of waste permissible, the name, address and telephone number of the Licence Holder and the person responsible for the operation of the site.**	**1**	2	**The notices lacked the required information which was later rectified to comply with this condition.**
8. INVESTIGATIONS			
8.1 If, in the opinion of the Competent Authority, any environmental pollution, nuisances or health risks may be or is occurring on the site, the Licence Holder must investigate the cause and take reasonable steps to alleviate the problem in consultation with the Competent Authority.	-	-	This could not be audited, because the **Competent Authority has not given instructions for further investigations.**
∑Total compliance scores	**1**	**4**	**-**
No. of WML/Permit/EMPr conditions audited	**2**	**2**	**-**
Overall Compliance Rating	**25.00%**	**100.00%**	**-**

2. Appendix B: Photographic record

3. Appendix C: Internal audit reports

4. Appendix D: Impact monitoring reports

Attached additional pages if more spaces is required.

Number of sheets appended by the tenderer to this schedule (if nil enter NIL)	

I, the undersigned, have read and understand the conditions given above:		
COMPANY	SIGNATURE OF TENDERER	DATE

Contact Details of Tenderer	
Knysna Municipality Supplier number	
CSD Supplier number	
CSD Unique Registration Reference Number	
The name of the Tenderer:	
The name of the contact person:	
The address of the Tenderer:	
Telephone:	
Facsimile:	
E-mail:	
Address (physical):	
Address (postal):	

Signature:	
Date:	

MBD 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
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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

(*delete whichever is not applicable for this tender*).

a) The applicable preference point system for this tender is the 90/10 preference point system.

b) The applicable preference point system for this tender is the 80/20 preference point system.

c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

EVALUATION

All bids will be evaluated by a panel on basis of functionality (100%) and Price 80. The points scored for functionality will not be carried over to price, but will only be used as a gate keeping exercise. The final evaluation will be done in terms of the Council's Preferential Procurement Policy which states 80 for price and the remaining 20 for B-BBEE.

Point's allocation for functionality

4. Detailed criteria of evaluation of work experience within the last 8 years related to external audits of WDF (20)
5. List of contactable references of similar municipal services previously done. (15)
6. Proposed organization, staffing & key staff experience. (15)

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts.

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 **or** **90/10**

$$\boldsymbol{Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)}$$ or $$\boldsymbol{Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. **FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

3.2.1. **POINTS AWARDED FOR PRICE**

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 **or** **90/10**

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right) \quad \text{or} \quad Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

Note to tenderers: The tenderer must indicate how they claim points for each

***preference point system.*) NB: BBBEE Certificate will be applied in order to allocate points for preference.**

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

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: …………………………………………………………...

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

x) The information furnished is true and correct;

xi) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

xii) 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;

xiii) 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: ………………………………………………………

………………………………………………………

………………………………………………………

………………………………………………………

KNYSNA MUNICIPALITY			
DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES			
1.	This Municipal Bidding Document serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.		
2.	The bid of any bidder may be rejected if that bidder, or any of its directors have:		
2.1.	abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;		
2.2.	been convicted for fraud or corruption during the past five years;		
2.3.	wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or		
2.4.	been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).		
3.	**In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**		
3.1.	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? **(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the *audi alteram partem* rule was applied).**	Yes / No	
3.2.	If so, furnish particulars:		
3.3.	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? **The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.**	Yes / No	
3.4.	If so, furnish particulars:		
3.5.	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes / No	
3.6.	If so, furnish particulars:		
3.7.	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes / No	
3.8.	If so, furnish particulars:		
3.9.	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes / No	
3.10.	If so, furnish particulars:		

4.	CERTIFICATION		
I, CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.			
NAME OF ENTERPRISE			
CAPACITY		**DATE**	
NAME (PRINT)		**SIGNATURE**	
WITNESS 1		**WITNESS 2**	

MBD 9

KNYSNA MUNICIPALITY	
CERTIFICATE OF INDEPENDENT BID DETERMINATION	
1.	Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).[2] Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
2.	Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to: a) take all reasonable steps to prevent such abuse; b) reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and c) cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
3.	This Municipal Bidding Document serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
4.	In order to give effect to the above, the following Certificate of Bid Determination must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION	
I, the undersigned, in submitting the accompanying bid:	
RFQ Number:	
Description:	
in response to the invitation for the RFQ issued by the **Knysna Municipality,** do hereby make the following statements that I certify to be true and complete in every respect:	
certify, on behalf of (Name of Supplier):	

That:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
   (a) has been requested to submit a bid in response to this bid invitation;
   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. 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 consortium[3] will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
   a) prices;
   b) geographical area where product or service will be rendered (market allocation)
   c) methods, factors or formulas used to calculate prices;
   d) the intention or decision to submit or not to submit, a bid;
   e) the submission of a bid which does not meet the specifications and conditions of the bid; or
   f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of Section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting

business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.			
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.			
I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.			
NAME (PRINT)		**SIGNATURE**	
CAPACITY		**DATE**	

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

[2] Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

[3]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.

KNYSNA MUNICIPALITY CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES (To be signed in the presence of a Commissioner of Oaths)	
I, the undersigned, in submitting the accompanying bid, declare that I am duly authorised to act on behalf of:	**(name of the enterprise)**
I hereby acknowledges that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to the Knysna Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.	
To the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.	
If the value of the transaction is expected to exceed R10 million (VAT included) I certify that the bidder has no undisputed commitments for municipal services towards any **Municipality** in respect of which payment is overdue for more than 30 days;	

PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER	MUNICIPAL ACCOUNT NUMBER

FURTHER DETAILS OF THE BIDDER'S Director / Shareholder / Partners, etc.:

Director / Shareholder / partner	Physical address of the Business	Municipal Account number(s)	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)

NB: **Please attach** certified copy(ies) of ID document(s)

NB: **Please attach** copy(ies) of Municipal Accounts

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	

Therefore, hereby agrees and authorizes the Knysna Municipality to deduct the full amount outstanding by the Tenderer or any of its directors/members/partners from any payment due to the tenderer; and
I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct. The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

NAME OF ENTERPRISE			
NAME (PRINT)			
CAPACITY			
SIGNATURE		**DATE:**	

COMMISSIONER OF OATHS	**Apply official stamp of authority on this page:**
Signed and sworn to before me at ____________, on this __________________________day of _______ 20_ by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience. **COMMISSIONER OF OATHS:-** Position: ________________________________ Address: ________________________________ Tel: ________________________________	

Version 3.

MBD 16

KNYSNA MUNICIPALITY	
GENERAL CONDITIONS OF CONTRACT	
1. DEFINITIONS The following terms shall be interpreted as indicated:	
"Closing time"	means the date and hour specified in the bidding documents for the receipt of bids.
"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.
"Contract price"	means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
"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.
"Countervailing duties"	are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally
"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.
"Day"	means calendar day.
"Delivery"	means delivery in compliance of the conditions of the contract or order.
"Delivery ex stock"	means immediate delivery directly from stock actually on hand
"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.
"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.
"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.
"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.
"GCC"	means the General Conditions of Contract.
"Goods"	means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
"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.
"Local content"	means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
"Manufacture"	means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
"Order"	means an official written order issued for the supply of goods or works or the rendering of a service.
"Project site"	where applicable, means the place indicated in bidding documents.
"Purchaser"	means the organization purchasing the goods.
"Republic"	means the Republic of South Africa.
"SCC"	means the Special Conditions of Contract.
"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.
"Supplier"	means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
"Tort"	means in breach of contract.
"Turnkey"	means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
"Written" or "in writing"	means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

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

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

3.	**General**
3.1.	Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
3.2.	Invitations to bid are usually published in locally distributed news media and on the municipality / municipal entity website.
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 as 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.
6.2.	When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.
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. 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.

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 inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser. 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods 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 goods 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 goods 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 goods which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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, and in any subsequent instructions ordered by the purchaser.
10. Delivery
10.1. Delivery of the goods shall be made by the supplier in accordance with the documents and terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified.
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.

12. Transportation
12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified.
13. Incidental
13.1. The supplier may be required to provide any or all of the following services, including additional services, if any: 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, 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, 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.

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 by the purchaser no later than thirty (30) days after submission of an invoice, statement or claim by the supplier.

16.4. Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Variation orders

18.1. In cases where the estimated value of the envisaged changes in purchase does not vary more tha15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price and such offers, may be accepted provided that there is no escalation in price.

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. 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.

21.4. 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 22 without the application of penalties.

21.5. 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 supplier as having no objection and proceed with the restriction.

23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchase 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.

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

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

24. Anti-dumping and countervailing duties and rights

24.1. When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped of 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. Notwithstanding any reference to mediation and/or court proceedings herein,

27.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

27.4.2. the purchaser shall pay the supplier any monies due for goods delivered and / or services rendered according to the prescripts of the contract.

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.

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 SARS must have certified that the tax matters of the preferred bidder are in order.

32.4. No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1. The contractor shall not abandon, transfer, cede, assign or sublet a contract or part thereof without the written permission of the purchaser.

34. Amendment of contracts

34.1. No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

35.1. 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.

35.2. 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 section 59 of the Competition Act No 89 0f 1998.

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

General Conditions of Contract (revised July 2010)