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THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT

July 2010

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NOTES

The purpose of this document is to:

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

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

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

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RSA.

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

obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

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

2.2 Where applicable, 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.

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:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at a reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the

- (d) performance or supervision ~~or~~ maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or ~~rep~~ repair of the supplied goods.

13.2 Prices charged by the supplier for ~~or~~ additional services, if not included in

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
17. Prices
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
18. Contract amendments
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
19. Assignment
- 19.1 The supplier shall not assign, in whole or in part, its obligations to

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies

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 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.

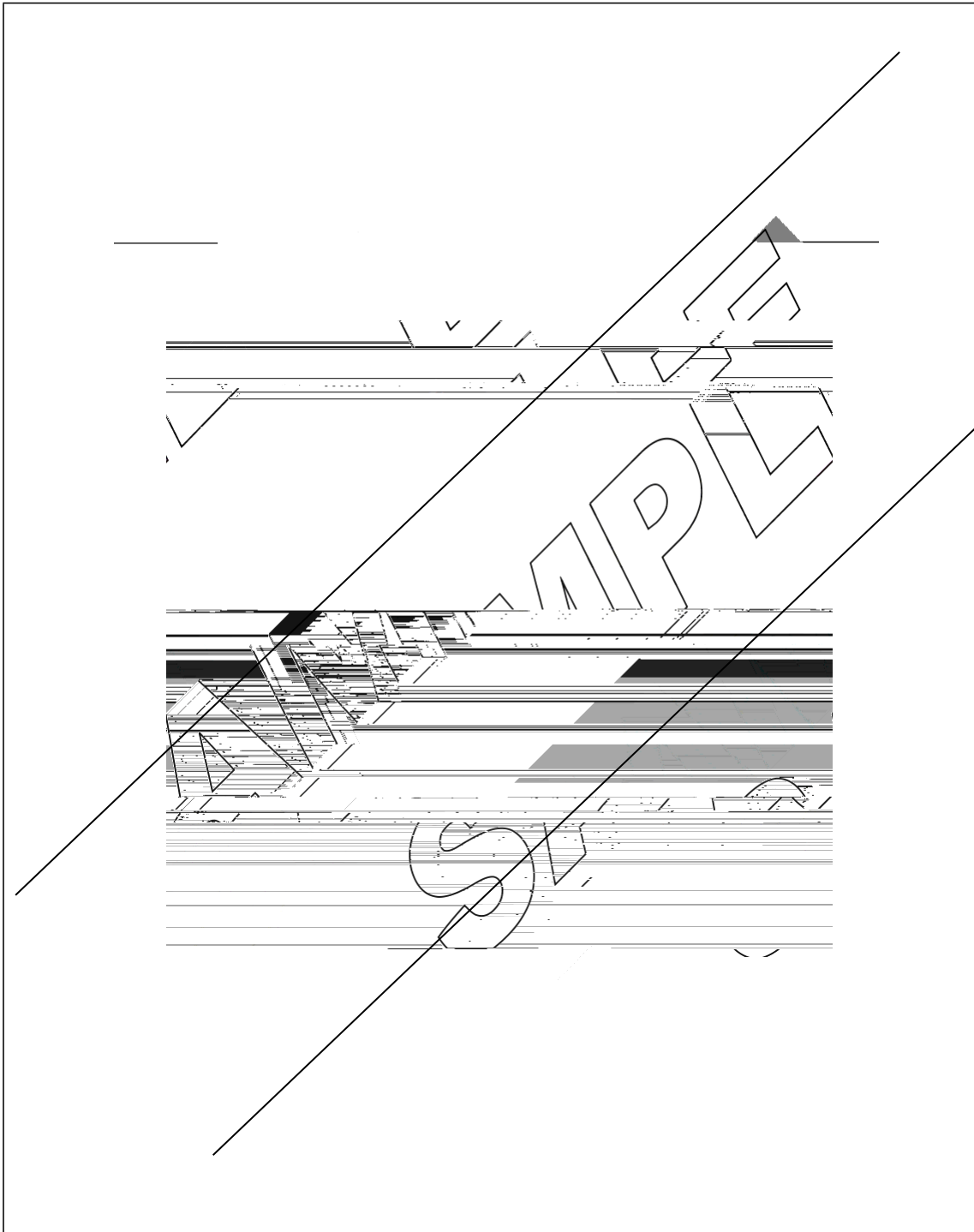
28. Limitation of liability

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s)

AUTHORITY TO SIGN THE STA

AUTHORITY OF SIGNATORY

Signatories for co



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1. **PURPOSE OF THE FORM**
Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency,

with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

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« «

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

2.3.1 If so, furnish particulars:

«
« «

3 DECLARATION

I, _____ the _____ undersigned,
(Q D P H « in

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

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1 PILLARS OF THE PROGRAMME

1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:

- (a) Any single contract with imported content

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- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number **NDoH-03(2023/2024)**

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.
- 1.7 The company must submit ID copies of Directors and or shareholders with their bid document or quotation to substantiate points claimed. The share certificate reflecting the number of shares held by each member or director of the company to qualify for the points claimed must be submitted. In case of a claiming points for disability the company must submit a registered Doctor noted or document as evidence of the disability.

2. DEFINITIONS

- (a) ³ W H Q G 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) ³ S U L F means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) ³ U D Q G Y means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) ³ W H Q G H U I R U H Q F U R P W L Q J F 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) ³ W K H S E A means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)
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Bid specifications to appoint a service provider to provide Occupational Health Services and Primary Health Care Services for the employees (permanent and contract) of the National Department of Health at Dr. AB Xuma Building (Pretoria) and Medical Bureau for Occupational Diseases (MBOD) Offices (Johannesburg) for a period of three (3) years

February 2024

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Introduction

The National Department of Health calls for competitive bids for the appointment of a service provider to provide occupational health services and primary health care services for the employees and contract employees of the National Department of Health (NDoH) at the Dr. AB Xuma Building in Pretoria and the Medical Bureau for Occupational Diseases (MBOD) offices in Johannesburg for a period of three (3) years.

Background

The NDoH has a statutory and moral duty to provide occupational health and primary health care services for its employees including contract workers in line with Occupational Health and Safety and Compensation legislation.

Employee health, safety and wellness are key for productivity in the workplace and preventing occupational injuries and diseases as well as controlling and eliminating risks posed by workplace hazards in accordance with the Occupational Health and Safety Act, 85 of 1993 and commitment to the WHO and ILO declarations. Workplace wellbeing relates to all aspects of the working lif

fixed X-ray unit that can be used; there are no facilities at ABX Building in Pretoria other than the Primary Health Care Clinic.

Provision of medical surveillance (group data) based on the hazard identification and risk assessments of the workplace and medical screening of individuals.

Use of an occupational health information system

Support reporting and follow-up processes to the Department of Employment and Lab

Reporting to the appropriate governance structure within the Department

Undertake project management

Provide quarterly and annual reports to Department and the OHS Committee

Attend meetings of the OHS Committee

Provide a comprehensive project management plan including key activities, timelines, resource allocation and deliverables

5. Staffing Framework

Project manager (sessional)

Two (2) sessional Doctors (with

NB: Failure to submit/attach proof of the following requirements with the bid will lead to the disqualification of the bidder's proposal:

Compliance with all Tax Clearance requirements: Attach Valid Tax Clearance Certificate / Tax Compliance Status Pin, Central Supplier Database Number, where consortium/joint ventures / sub-contractor are involved, each party to the association must submit separate Tax Clearance requirements.

Two envelope bidding system

Separate the bid proposal from the pricing schedule.

Submission of complete bid documents

Bidders must submit all required documents by the closing date and time of the bid.

Bidders are requested to submit a set of bid documents according to the instruction below:

The Hard Copy (constitutes the legally binding bid document)

All SBD and Bid Response forms must be completed in black typescript. All

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Criteria	Description	Substantiation / Documentations	Weight
Experience	The bidder must demonstrate a minimum of five (5) years' experience in the delivery of occupational health services, primary health care services, psychosocial services, occupational hygiene services and telehealth capability	<p>The bidder must provide a comprehensive description of relevant experience and track record in delivery of occupational health services, primary health care services, psychosocial services, occupational hygiene services and occupational health information system.</p> <p>The bidder experience will be evaluated in accordance with the table below and cover the above services and system:</p>	

Relevant experience / track record (15 points)	Score
More than 10 years' experience in all services	5
6 to 10 years' experience / some services	4
5 years' experience / some services	3
3 to 4 years' experience	2
1 to 3 years' experience	1
Less than 1 year	0

The bidder must provide their approach to provision of services, methodology and a workplan for the delivery of the services over the three-year period.

Service plan & workplan (10 points)



Criteria	Description	Substantiation / Documentations		Weight
			Registered with HPCSA and in good standing.	evaluations

Scoring process for experience / track records as per the table below:

For Project Manager:

Relevant experience / track record	Score
More than 10 years' experience	5
6 to 10 years' experience	4
5 years' experience	3
3 to 4 years' experience	2
1 to 3 years' experience	1
Less than 1 year	0

For all others:

Relevant experience / track record	Score
More than 5 years' experience	5
5 years' experience	4
4 years' experience	3

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Criteria	Description	Substantiation / Documentations	Weight
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Bid Pricing Evaluation

Price points scoring system

Phase 1: Testing compliance to the eligibility criteria (mandatory requirements) mentioned in the preceding paragraph.

Phase 2: Bidders that have satisfied the mandatory requirements will be assessed against the technical evaluation criteria as indicated below. The service provider must achieve a minimum of 75 points to proceed to the next phase of evaluation; bids that fail to achieve the minimum required points will be disqualified consequently not be considered for further evaluation; and

Phase 3: In this Phase, bids will be evaluated on price.

80: Price (VAT Inclusive). It is the responsibility of each bidder to ensure that all applicable taxes are included in the offer. Bidders must ensure that they factor in VAT for offers above R1 million as it is a compulsory requirement of the VAT Administration Act. If an entity not registered as a VAT vendor is awarded a bid, it is expected to register for VAT within 21 days of being awarded a contract and produce such proof of registration to the NDOH.

As a rule, the NDoH is not responsible for making any payment towards VAT for bidders that were awarded contracts without the inclusion VAT at the time of the bid closure.

Phase 4: In this Phase bids will be based on Preference Points System (Specific Goals).

SPECIFIC GOALS

Points awarded for specific goals.

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 2 below as may be supported by proof/ documentation stated in the conditions of this tender.
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
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comprehensive skills transfer plan to be submitted as part of the technical proposal.

To safeguard the integrity of the bidding process, the technical and financial proposals **must be submitted in separate sealed envelopes**, as per “National Treasury: Supply Chain Management a guide for Accounting Officers / Authorities, 2004”, section 5.9.4.

Note:

SOUTH AFRICAN PRICING. The total price must be **VAT inclusive** and be quoted in South African Rand (ZAR) – ***separate document***

TOTAL PRICE

- (a) All quoted prices are the total price for the entire scope of required services and deliverables to be provided by the bidder842.04.i(id)8(d)-3(e)Tf113.42.7

Briefing Session Requirements

Any clarity-seeking questions should be sent by email to tenders@ndoh.gov.za
The closing date for receipt of all enquiries is seven (7) days before the closing date of the bid. All enquiries received after will not be considered.

Supplier Due Diligence

The State reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. During the due diligence process, the information submitted by the bidder will be verified and any misrepresentation thereof may disqualify the bid in whole or parts thereof.

The Department of Health reserves the right to reject any service that is not compliant with the specifications and any other legislative framework.

The Department reserves the right to terminate the contract at any stage if there is substantive proof of inefficiency in the delivery of the services.