

DEPARTMENT OF TRANSPORT

Private Bag X, Pietermaritzburg, 3200

Inkosi uMhlabunzima Maphumulo House, 172 Burger Street, Pietermaritzburg, 3200

Tel: 033 355 8600

Invitation to Tender – ZNB02273/00000/00/HOD/GEN/24/T

KWAZULU-NATAL DEPARTMENT OF TRANSPORT

Suitable service providers are invited to bid for: **The Appointment of a Panel of Service Providers Who Will Be Eligible to Provide Learner Transport Services Within the Province for a period of 5 years.**

Mandatory Requirements:

1. The bidder must provide a valid operating license for public transport (**minibus, midi-bus and bus**) issued by KZN Provincial Regulatory Entity. The operating license must be in the name of the bidder or directors of the company
2. The bidder must provide a bank guarantee letter with a minimum of R300 000 at the time of closing. The bank guarantee must be valid on award of allocation.
3. Bidders must be registered on the Central Suppliers Database.
4. A tender that fails to meet any mandatory requirements stipulated above will be deemed non-responsive. Should any of the above mandatory requirements found to be fraudulent or fabricated, the bid shall be disqualified.

The department reserves the right to **not to award this tender.**

Only bids that comply with all mandatory requirements and administrative requirements will be considered.

Free download of tender documents will be available on the www.kzntransport.gov.za and www.etenders.gov.za website and must be downloaded

Collection of Bid Documents

The physical address for collection of Tender documents is ***Inkosi Mhlabunzima Maphumulo House, 172 Burger Street, Pietermaritzburg, 3200.***

Documents may be collected during working hours from **08H00 to 15H30**

For collection of documents there is a tender fee of R270. payable at Cashier's office: 6th Floor A-block ***Inkosi Mhlabunzima Maphumulo House, 172 Burger Street, Pietermaritzburg, 3200***

Briefing Sessions: Compulsory Briefing

The briefing sessions will be held as follows:

Date:	15th MARCH 2024
Time:	10H00
Venue:	McDonald Theatre Inkosi Mhlabunzima Maphumulo House, 172 Burger Street, Pietermaritzburg, 3200.

Queries relating to the issue of these documents may be addressed to Mr. **Senzo Thwala** Tel. No. **(033) 355 8853**: e-mail: **senzo.thwala@kzntransport.gov.za** The closing time for receipt of tenders is **Monday, 08 April 2024 11h00 @ 172 Burger Street Pmb 3201**

Telegraphic, telephonic, telex, facsimile, e-mail and late tender proposals will not be accepted.

KWAZULU-NATAL PROVINCIAL GOVERNMENT BIDDING FORMS

SECTION A	INVITATION TO BID (SBD 1)	1-3
SECTION B	TERMS AND CONDITIONS FOR BIDDING (SBD 1)	4
SECTION C	SPECIAL INSTRUCTIONS REGARDING COMPLETION OF BID	5-6
SECTION D	AUTHORITY TO SIGN	7
SECTION E	REGISTRATION ON CENTRAL SUPPLIERS DATABASE	8
SECTION F	DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE	9
SECTION G	OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE	10
SECTION H	PRICING SCHEDULE	11
SECTION I	BIDDER'S DISCLOSURE	12-13
SECTION J	PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (SBD6.1)	14-17
SECTION K	CONTRACT FORM	18-19
SECTION L	GENERAL CONDITIONS OF CONTRACT	20-29
SECTION M	SPECIAL CONDITIONS OF CONTRACT	30-31
SECTION N	TERMS OF REFERENCE	32-38

**PART A
INVITATION TO BID**

(Supplier to complete & return. Failure to complete, offer will be invalid)

YOU ARE HEREBY INVITED TO QUOTE FOR REQUIREMENTS OF THE DEPARTMENT OF TRANSPORT					
BID NUMBER:	ZNB02273/00000/00/HOD/GEN/24T	CLOSING DATE:	08 April 2024	CLOSING TIME:	11:00am
DESCRIPTION	The Appointment of a Panel of Service Providers Who Will Be Eligible to Provide Learner Transport Services Within the Province for a period of 5 years				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT					
Department of Transport 172 Burger Street PIETERMARITZBURG 3201 <i>Mon to Fri: 07:30 until 16:00</i>		Under no circumstances must suppliers submit their quotation offers/ responses to the official whose name appear on the enquiries.			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Londiwe Zuma		CONTACT PERSON	Senzo Thwala	
TELEPHONE NUMBER	033 355 8929		TELEPHONE NUMBER	033 355 8886	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	Londiwe.Zuma@kzntransport.gov.za		E-MAIL ADDRESS	Senzo.Thwala.@kzntransport.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]		
B3: QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	YES	NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	YES	NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	YES	NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	YES	NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	YES	NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.		

PART B
TERMS AND CONDITIONS FOR BIDDING
(Supplier to complete & return. Failure to complete, offer will be invalid)

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	IF THE BID WAS INVITED THROUGH A CLOSE QUOTATION PROCESS; WHERE SUPPLIERS WERE SOURCED FROM CSD USING THE COMMODITY PROCESS; SUPPLIERS WHO WERE NOT INVITED WILL NOT BE CONSIDERED.
1.5.	USE OF OMISSION IN THE DOCUMENT IS PROHIBITED, ALL CORRECTIONS MUST BE INITIALLED BY TENDERR AND USE OF CORRECTION FLUID IS PROHIBITED.
1.6.	FAILING TO COMPLY WITH THE ABOVE REQUIREMENTS WILL RESULT IN THE BID BEING NON-RESPONSIVE.
1.7.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”
3. COMPLIANCE AND RETURNABLES: THE FOLLOWING RETURNABLE DOCUMENTS MUST RETURNED WITH THE QUOTATION DOCUMENT	
3.1	SBD 1 INVITATION TO QUOTE (SBD1 PART A)
3.2	SBD 1 – TERMS AND CONDITIONS FOR BIDDING (SBD1 PART B)
3.3	SBD 3 – OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE
3.4	SBD 3.3 – PRICING SCHEDULE – PROFESSIONAL SERVICES
3.5	SBD 4 - DECLARATION OF INTEREST FORM
3.6	SBD 6.1 - PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022;

SIGNATURE OF BIDDER:

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

DATE:

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. FAILURE TO SIGN WILL RENDER THE BID AS NON-RESPONSIVE.

SECTION A

NOTICES TO RESPONDENTS REGARDING THE COMPLETION OF FORMS

PLEASE NOTE THAT THIS CALL FOR BIDS IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and vice versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the Bids forms be retyped or redrafted but can be completed online without changing any words. Photocopies of the original Bids documentation may be used, but an original signature must appear on such photocopies.
3. The Respondent is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the Bids documents.
6. Each Bids shall be addressed in accordance with the directives in the BIDS documents and shall be lodged in a separate sealed envelope, with the name and address of the Respondent, the Bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any Bids other than that shown on the envelope. If this provision is not complied with, such Bids may be rejected as being invalid.
7. All Bids received in sealed envelopes with the relevant Bids numbers on the envelopes are kept unopened in safe custody until the closing time of the Bids. Where, however, a Bids is received open, it shall be sealed. If it is received without a Bids number on the envelope, it shall be opened, the Bid number ascertained, the envelope sealed and the Bid number written on the envelope.
8. A specific box is provided for the receipt of Bids, and no Bids found in any other box or elsewhere subsequent to the closing date and time of Bids will be considered.
9. No Bids sent through the post will be considered if it is received after the closing date and time stipulated in the BIDS documentation, and proof of posting will not be accepted as proof of delivery.
10. No Bids submitted by telefax, telegraphic will be considered.
11. Bids documents must not be included in packages containing samples. Such Bids may be rejected as being invalid.
12. Any alteration made by the Respondent must be initialed. If not initialed the Respondent may be disqualified.
13. Use of correcting fluid is prohibited
14. Bids will be opened in public as soon as practicable after the closing time of Bids.
15. Where practical, prices will be made public at the time of opening Bids.

a) Acceptable Proof for the allocation of Specific Goals Points

The specific goals allocated points in terms of this tender	Points	<u>Acceptable Proof for Allocation of Points</u>
South African owned Enterprise	5	CIP company registration documents or CSD
EME or QSE which is at least 51% owned by Black People	2.5	CIP company registration documents and CSD report.
EME or QSE which is at least 51% owned by Black Youth or Women	2.5	CIP company registration documents and CSD report.

b) Rights to Award

KZN Department of Transport:

- Reserves the right to call for presentations from shortlisted suppliers,
- To accept bids in Whole or In Part.”
- Not to make any award in this bid or accept any proposals submitted,
- Award the project to more than one (1) Respondent for the same activity
- Request further technical/functional information from any Respondent after the closing date,
- Verify information and documentation of the Respondent(s),
- To withdraw or amend any of the bid conditions by notice in writing to all respondents prior to closing of the bid and
- If an incorrect award has been made to remedy the matter in any lawful manner it may deem fit.

c) Price Negotiation

KZN DoT reserves the right to negotiate with the respondents prior and/or post award. The terms and conditions for negotiations will be communicated to the shortlisted respondents prior to invitation to negotiations. The negotiation terms and conditions may include presentations and/or site visits. This phase is meant to ensure the conditions of bid and projects will be implementable for the achievement of the project objectives.

SECTION B

AUTHORITY TO SIGN

Bid/Quotation no. ZNB02273/00000/00/HOD/GEN/24/T - The Appointment of a Panel of Service Providers Who Will Be Eligible To Provide Learner Transport Services Within The Province for a period of 5 years.

Close Corporation / Company / Partnership / Trust /Sole proprietor or sole trader

Name: _____

Registration Number:_____

RESOLUTION OF THE DIRECTORS OF THE COMPANY etc RESOLVED that _____, in his/her capacity as _____, is authorised to make applications on behalf of the Close Corporation / Company / Partnership / Trust /Sole proprietor or sole trader for: any documentation relating to the business (which is not necessarily a change of ownership). The nominated person will also have access to webpage for the business.

Signature(s) for Close Corporation / Company / Partnership / Trust/ Sole proprietor or sole trader.

(sole member still must sign this resolution)

Signature of members:

Name	Signature	Date
1. _____	_____	_____.
2. _____	_____	_____.
3. _____	_____	_____.
4. _____	_____	_____.
5. _____	_____	_____.
6. _____	_____	_____.

Specimen signature of the appointed Signatory: _____.



Failure to complete, sign and date the above certificate or provide the certificate(s) in the form of a resolution shall result in the tender being considered non-responsive and rejected.

SECTION C

REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the National Treasury Instruction Note, all suppliers of goods and services to the State are required to register on the Central Suppliers Database.
2. Prospective suppliers should self-register on the CSD website www.csd.gov.za
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Department may, without prejudice to any other legal rights or remedies it may have;
 - 3.1 cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favorable bid is accepted or less favorable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to request updating of its information on the Central Suppliers Database, relating to changed particulars or circumstances.**
5. **IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THE SUPPLIER WILL BE DISQUALIFIED AT THE BID EVALUATION PROCESS.**

SECTION D

DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE
(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorized representative), WHO
REPRESENTS (state name of bidder) CSD Registration
Number.....

I AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER DATABASE WITH RESPECT TO THE BIDDER'S
DETAILS AND REGISTRATION INFORMATION, AND THAT THE SAID INFORMATION IS CORRECT AND UP TO
DATE AS ON THE DATE OF SUBMITTING THIS BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A CAUSE FOR DISQUALIFICATION
OF THIS BID FROM THE BIDDING PROCESS, AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY
BE AWARDED ON THE BASIS OF THIS BID.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE

DATE:

SECTION E

OFFICIAL BRIEFING SESSION/SITE INSPECTION CERTIFICATE

N. B.: THIS FORM IS ONLY TO BE COMPLETED WHEN APPLICABLE TO THE BID.

Site/Building/Institution Involved:

Open Tender Reference No: ZNB02273/00000/00/HOD/GEN/24/T

Service/Work: The Appointment of a Panel of Service Providers Who Will Be Eligible To Provide Learner Transport Services Within The Province for a period of 5 years.

This is to certify that (bidder's representative name) _____

On behalf of (company name) _____

Visited and inspected the site on ___ / ___ / ___ (date) and is therefore familiar with the circumstances and the scope of the service to be rendered.

Signature of Bidder or Authorized Representative
(PRINT NAME)

DATE: ___ / ___ / ___

Name of Departmental or Public Entity Representative
(PRINT NAME)

Departmental Stamp With Signature

SECTION F

PRICING SCHEDULE

Put N/A where it is not applicable

Fixed Cost Per Month			
	Per Bus R's	Per Midi-bus R's	Per Mini-bus R's
Vehicle instalment			
Insurance			
Licenses			
Salary (Driver)			
TOTAL			

NB: Salaries must be prices as per the minimum South African Roads Passenger Bargaining Council.

Variable costs per month (Surfaced road)			
	Per Bus	Per Midi-bus	Per Mini-bus
Tyres			
Fuel			
Tracker			
Overheads			
TOTAL			

Variable costs per month (Gravel road)			
	Per Bus	Per Midi-bus	Per Mini-bus
Tyres			
Fuel			
Tracker			
Overheads			
TOTAL			

Name of bidder..... _____ Signature of Bidder or Authorized Representative	OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID PENDING ANY EXTENSION OF VALIDITY.
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NB: Prospective bidders must cost on the preferred mode (bus, midi-bus, mini-bus) irrespective of the valid operating license the bidder is currently holding.

Failure to complete, sign and date the above form will result in the tender being considered as non-responsive.

SECTION G

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES	
NO	

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

YES	
NO	

2.2.1 If so, furnish particulars:
.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether they are bidding for this contract or not?

YES	
NO	

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

**I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.**

..... Signature Date
..... Position Name of bidder

Every question must be answered individually on this form, whether a relationship is present or not: Failure to do so and sign this form will invalidate your tender/bid and render it non-responsive.

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

SECTION H
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

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

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

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

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

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)
South African owned Enterprise	5	
EME or QSE which is at least 51% owned by Black People	2.5	
EME or QSE which is at least 51% owned by Black Youth or Women	2.5	
Total Points	10	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

..... SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

Failure to complete, sign and date the above form shall result in the tender being considered non-responsive.

SECTION I
CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

- 1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
(i) Bidding documents, viz
- Invitation to bid;
- Tax clearance certificate;
- Pricing schedule(s);
- Filled in task directive/proposal;
- Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2023;
- Declaration of interest;
- Declaration of bidder's past SCM practices;
- Certificate of Independent Bid Determination;
- Special Conditions of Contract;
(ii) General Conditions of Contract; and
(iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)
CAPACITY
SIGNATURE
NAME OF FIRM
DATE

WITNESSES
1
.....
2

Failure to complete, sign and date the above form shall result in the tender being considered non-responsive.

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity asaccept your bid under reference numberdated... for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

SECTION J
GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following terms shall be interpreted as indicated:

- 1.1** “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2** “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3** “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4** “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5** "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6** “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7** “Day” means calendar day.
- 1.8** “Delivery” means delivery in compliance of the conditions of the contract or order.
- 1.9** “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- 1.10** “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11** "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12** ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13** “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14** “GCC” means the General Conditions of Contract.
- 1.15** “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16** “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17** “Local content” means that portion of the bidding price which is not included in the imported content provided that

local manufacture does take place.

- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 1.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 1.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 1.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 1.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 1.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

6. Patent rights

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

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - 7.4 a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - 7.5 a cashier's or certified cheque
- 7.6 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

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

without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10 Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11 Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

11.2 Upon appointment by the Head of Department the service provider will be required to have a Professional indemnity insurance of a minimum of R1 million

12 Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13 Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14 Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to license the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15 Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16 Payment

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 perform under the contract, except with the purchaser's prior written consent.

20 Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21 Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22 Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23 Termination for default

- 23.1** The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2** In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3** Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4** If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5** Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6** If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.
- 23.6.1** 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 or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25 Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26 Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27 Settlement of Disputes

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

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

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

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.

28 Limitation of liability

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29 Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30 Applicable law

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

31 Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32 Taxes and duties

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

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

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33 National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

SECTION K

SPECIAL CONDITIONS OF CONTRACT

This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022; the General Conditions of Contract (GCC) and the following applicable other Special Conditions of Contract.

1. CONTRACT PERIOD

1.1 Five (05) years

2. EVALUATION CRITERIA

There are two main stages in the selection process, namely, ensuring that bids comply with:

1. Administrative requirements,
 - Operating License in the name of the entity or director/s.
 - Bank guarantee with a minimum of three hundred thousand R300 000.00 at closing. The guarantee must be valid prior to award of allocation.
 - Completion of SBD forms and other mandatory documents/forms.
2. Price and preference points.

3. OBJECTIVE CRITERIA

- The department intends to create a panel of service providers and also intends to award multiple service providers per district.
- The department reserves the rights in the allocation of works and this will not be subject to the tendered price.
- The department intends to award to a maximum of 40% of routes to the lowest bidder and award 60% to the remaining bidders in a fair distribution within its discretion.
- The department intends to give preference to operators who hold permits issued by the Department of Transport in KwaZulu-Natal.
- Bidders will be allocated as per preferred districts.
- In order to achieve maximum allocation, a bidder that has been allocated work on one district will not be eligible to be allocated work in another district irrespective of preference price until full rotation of service providers has been achieved.

4. DISTRICT SELECTION

District	Primary Preferred District. Only one (01) box must be ticked	Other preferred Districts.
Amajuba		
eThekwini		
Harry Gwala		
Ilembe		
King Cetshwayo		
UMkhanyakude		
Ugu		
Umgundundlovu		
uMzinyathi		
uThukela		
Zululand		

5. NOTES TO BIDDERS

5.1 Bidders are not allowed to use an operating permit,

- that has already been used by a bidding entity
- that held against a Director/s in any other entity bidding for this bid.

5.2 Bidders / Director/s that are found to use an operating license in more than one bidding entity will be disqualified.

5.3 Bidders are to provide evidence of availability of vehicles prior to allocation and effectively award. Failure to provide such may lead to your allocation being passed over.

6. BID APPEAL TRIBUNAL

PLEASE NOTE:

Any appeals regarding the award of this bid should be lodged within 5 working days from the date of the publication of bid results in the Government Tender Bulletin which is published every week on Friday and may be downloaded from the website www.etenders.gov.za.

The address provided for the lodging of appeals is:

The Chairperson
Bid Appeals Tribunal
Private Bag X9082
Pietermaritzburg
3200

SECTION L

Terms of Reference/ Specifications

1. DEFINITIONS

1.1 Words in the singular also include words in the plural and *vice versa* where the context permits.

1.2 The following words and expressions shall have the following meanings except where the context indicates otherwise:

"accepted", "approved", "Authorized", "directed", "ordered" and "rejected" means accepted, approved, Authorized, directed, ordered or rejected by the KwaZulu-Natal Department of Transport;

"Act" or "the Act" means the National Land Transport Act, 2009 (Act No. 5 of 2009); or as amended;

"agreed" means agreed by the KwaZulu-Natal Department of Transport on the one hand and the Operator on the other hand;

"claim form" means the prescribed forms and certificates which are to be completed, signed and submitted by the Operator in support of his monthly claim;

"Commencement date" means the date on which the services will commence;

"contract period" means the period for which this contract will be in force;

"contract rate" means the rate per vehicle and rate per kilometre for which the Operator will be paid for providing the services

"Learner" means learner

"KwaZulu-Natal Department of Transport or Department" means the Provincial Government of the Province of KwaZulu-Natal, or a person designated by that Department to act on its behalf or any regional or local authority to which the Provincial Government of the Province of KwaZulu-Natal has ceded its rights and delegated its obligations;

"month" means a period of up to 31 days;

"Operator" means the person, company, close corporation, partnership or consortium, administrators, trustees, judicial managers or liquidators, as the case may be,

"Operating License" means a license required for operation of public transport services contemplated in section 50 of the Act

"positioning kilometres" or "dead kilometres" means kilometres travelled by a vehicle with or without passengers for which the Operator is not entitled to be compensated in terms of this contract i.e.:

- a) from a depot to the starting point of a scheduled trip;
- b) from the end of a scheduled trip to a depot; or
- c) from the end of a scheduled trip to the starting point of the next scheduled trip;

"revenue kilometers" means scheduled kilometers actually operated on approved routes for which the Operator is entitled to compensation in terms of this Contract;

"route" means a fixed path from origin to destination along a series of roads as specified in the contract documents or agreed to between the Parties;

"Learner transport vehicle" means a vehicle contracted to provide dedicated subsidised learner transport services and includes -

"midi-bus", meaning a bus with a capacity of not less than seventeen (17) persons and not more than thirty five (35) persons; and meet specifications of recapitalisation programme

"mini-bus", meaning a bus with a capacity of not less than ten (10) persons and not more than sixteen (16) persons; and meet specifications of recapitalisation programme

"standard bus", meaning a bus with a capacity of not less than fifty eight (58) persons and not more than one hundred and one (101) persons; and

"school starting time" means the starting time of a school as determined by the KwaZulu-Natal Department of Education or its Designee of the relevant schools.

"service area" means the residential areas and schools served by the routes, as described in Annexure A, in which the services will be operated;

"services" means the transportation of learners along a route, which is to be provided in terms of this contract;

"time table" means a schedule of passenger carrying trips approved by the KwaZulu-Natal Department of Transport, indicating all departure times from points of origin and specified intermediate points (not necessarily all Authorized stops) as well as arrival times at destinations on each route for specified days as set out in Annexure B, subject to any variation thereof.

2. DURATION

- 2.1 The services will commence on the date determined by the Department after finalization of supply chain process. The services will be sourced from the approved panel on service providers.
- 2.2 The duration for the contract will be five (05) years.

1. SERVICE SPECIFICATION

Service will be operated in terms of Annexure A which will be provided to shortlisted bidders

3.1 Terrain and operating environment

Most of the roads to be operated on are gravel roads and in rural areas

3.2 Competitive modes of transport

There is no direct competitive mode for subsidized dedicated learner transport in identified areas.

3.3 Depots, terminals and bus parking

Only bus/minibus/ midi-bus stops and terminals authorized by the Municipality or by school are to be used by the Operator.

The Operator must find its own depot, parking areas or overnight facilities and these are not the responsibility of the Department

3.4 Vehicle specification

Buses/ MinibusTaxis to be used on this contract must conform to the requirements and regulations of the National Road Traffic Act, Act 93 1996, requirements and regulations of the National Land Transport Act, Act 5 of 2009 and application SABS specifications

Buses may not be older than 10 years.

Minibus and midibus taxis must comply with recapitalisation vehicles specifications and not be older than six (6) years)

Tender must make available substitute vehicles in the case of breakdown or any other unforeseen situation which might give rise to operating vehicle/s not being available (Provide detailed plan and vehicle details) on the contract management plan.

- 3.5** Provide proof of arrangements for the financing and/or acquisition of the required vehicles as specified. If vehicles are available, copies of log book/s must be provided. Indicate what vehicle will be leased/ purchased. All vehicles used for the provision of services must be registered and tested for roadworthiness within the province of KwaZulu Natal.

3.5 VEHICLE IDENTIFICATION

All vehicles used for the provision of service must display vehicle identification indicating that learners are being transported. The Department shall prescribe the standard branding to be put on all contracted vehicles. Branding will only be done by suppliers/companies approved by the department. Branding of vehicles will be at the cost of the operator.

3.6 Fares

This will be a 100% subsidized service. No passenger fares will be applicable.

4. CONTRACT MANAGEMENT PLAN

The Bidder must submit a detailed contract management plan which will contain the following information:

4.1 Detailed management structure for this contract

- a) Proposed organizational structure;
- b) Which staff categories and which will be full time, and which will be part time;
- c) The number and categories of staff not covered in terms of the bargaining council arrangements, (i.e. mostly staff on managerial level);
- d) Recruitment and training of necessary personnel if these are not already available.
- e) A detailed driver skill program e.g. advanced driving plan with time frames;
- f) Provide a driver history and experience in professional driving.
- g) Operating license on main services.

4.2 **The detailed plans that the Operator will implement in emergencies.**

To be submitted prior to start of operation.

4.3 **Key Performance Indicators,**

Details of how the operator plans to meet KPI including,

- Departure and arrival points
- Departure and arrival times
- Passenger numbers
- Routes operated
- Number of trips operated
- Kilometres travelled
- Conditions of buses/taxis
- Punctuality of service (to and from)
- Adherence to routes
- Service performance
- Passenger verification
- Monthly statistics
- Passenger liability Insurance
- Driver fitness (possession and validity of professional driver permit)
- Roadworthiness of vehicles (including relevant permits and licenses)
- Client School and Passenger satisfaction

4.4 **Reporting system**

Details of how the Operator proposes to meet its reporting requirements under this contract, with full details of management control and information systems to be set up to ensure that its requirements are met in terms of the contract. Include detailed method of reporting customer complaints/issues

4.5. **Stakeholder participation**

Apart from the normal liaison between the Operator and Learners, provide detailed stakeholder participation strategy including, but not limited, Teachers, School governing bodies, Amakhosi, Parents, Transportation Committees. This must also include methods of gathering passenger satisfaction information and handling and responding to complaints

4.6 **Vehicle and related matter**

- a) The Operator must submit a statement on Form 1 showing what vehicles per vehicle category will be available for the services on the commencement date. Proof of arrangements for the financing and acquisition of the required vehicles as specified. If vehicles are available, copies of logbook. Indicate what vehicle will be leased/ purchased
- b) How the vehicles will be maintained with details on whether maintenance will be done in-house. In this case, details must be provided on
 - Inspection and maintenance strategies to be implemented; and
 - Maintenance contracts with vehicle suppliers.
 - Details on what is actually to be attended to by vehicle suppliers and if issues are excluded from this how those

aspects will be addressed

- c) All vehicles used on the contract must be fitted with tracking device, first aid kit and a form of approved two-way radio communication equipment capable of transmitting and receiving messages between vehicle(s) and a base station.
- d) All vehicles used for subsidized dedicated learner transport must be registered in the province of KwaZulu-Natal.

4.7 Schedule of services previously operated

Provide details of related public transport services previously operated

5.

6. CONTRACT RATES ALL-INCLUSIVE

- 6.1 The Operator must satisfy him- or herself as to the correctness and sufficiency of the contract rates stated in the Schedule of Quantities. Such rates shall, except in so far as is otherwise provided, cover all the Operator's obligations under the contract.
- 6.2 The Operator must allow for full compensation for all general preliminaries, all expenses incurred in complying with the Conditions and Specifications of the contract, all other costs, positioning kilometers as well as everything else necessary for the execution of the contract. The Operator's attention is drawn to the fact that the services may be varied during the contract period which could lead to an increase or decrease of monthly revenue kilometers. The Operator is also advised and must be aware that passenger numbers on the various routes may vary from time to time.
- 6.3 The Bidder is advised to take cognizance of the implications for its current and future labour forces of the fact that the contract period will only be for five (05) years.
- 6.4 **The rates must reflect the salaries as agreed at South African Road Passenger Bargaining Council.**

7. PROVISION OF SERVICES

- 7.1 The Operator shall for the duration of this agreement provide services in accordance with the timetable, routes and distances that will be provided to the selected panel.
- 7.2 No amendments to Annexure A (to be provided to the selected panel) are to be made unless initiated by the KwaZulu-Natal Department of Transport.
- 7.3 The performance of the service by the Operator shall be observed and inspected by the KwaZulu-Natal Department of Transport at its own discretion for compliance with Annexure A (to be provided to the selected panel).

8. PAYMENT FOR SERVICES

- 8.1 Payment for services will be made electronically by the Department to the bank account of the Operator and the transport provider must complete and submit all necessary documentation to the KwaZulu-Natal Department of Transport.
- 8.2 The Operator shall be paid monthly for providing the services as will be specified in a contract, in terms of :

Payment amount = [(Rate per km x Km per month) + (Rate per vehicle per month x No of vehicles)] – Penalties

8.3 Actual route distances as agreed between the Operator and the KwaZulu-Natal Department of Transport shall be used to calculate revenue kilometres for each trip, provided always that the onus is on the Operator to prove that trips have been operated. The Operator will not be paid for positioning kilometres.

8.4 All claims must be accompanied with reports from vehicle tracking system

9. ESCALATION

9.1 Since the contract will be valid for five (05) year period, the annual Consumer Price Index (CPI) shall be utilised annually on the anniversary of the contract.

9 OPERATION OF SERVICES

9.1 Safety is of paramount importance in the transportation of learners to and from school each day. The Operator must ensure that safe and reliable services are provided. This means the Operator must deliver a reliable service with drivers and vehicles that comply with all licensing and regulatory requirements and are well maintained, to ensure learners arrive at school on time and ready to learn.

9.2 The Operator will be required to exercise the highest degree of skill, care and diligence in the provision of the services and operate the services strictly in accordance with Specifications of Contract as adjusted from time to time, as well as the other relevant provisions of the contract, to the satisfaction of the KwaZulu-Natal Department of Transport.

9.3 The Operator will be required to comply with and strictly adhere to the KwaZulu-Natal Department of Transport's instructions and directions regarding the operation of the services.

9.4 The Operator will be required to take instructions and directions only from the KwaZulu-Natal Department of Transport or a duly Authorized Representative of the KwaZulu-Natal Department of Transport.

9.5 Depending on the requirements of the contract as to which type or combination of types of vehicles are to be provided by the Operator, the latter must provide for each trip a vehicle having the passenger capacity as specified in the tender forms that conforms fully with the requirements and attributes specified in the contract.

9.6 All contracted services will be monitored in a prescribed manner as determined by the KwaZulu-Natal Department of Transport

9.7 The Operator will be required to ensure that vehicle/s are operated according to safe operating practices which are as follows:

- The operator of a learner transport vehicle shall not allow the number of learners travelling in the vehicle at any one time to exceed the legal carrying capacity.
- No person shall operate a learner transport vehicle referred to in this section, nor knowingly allow any learner to ride in such vehicle unless the operator and all passengers are wearing a safety belt which is properly adjusted and fastened.
- All doors shall be kept closed while the learner transport vehicle is in motion.
- No re-fueling shall take place while any learner transport vehicle is occupied by learners
- Any person who operates such a learner transport vehicle shall not license the boarding or discharging of learners there from unless the vehicle is stopped as close as is practical to the left-hand side or edge of the road. The vehicle shall remain stationary after discharging passengers until such time as all persons who wish to cross to the other side have done so.

- Drivers are prohibited from: smoking, consuming alcoholic beverages, using a cell phone, or any other activity that may interfere with the safe operation of the vehicle
- Drivers are always required to wear a safety belt during vehicle operation. Doors should be firmly closed when transporting learners.
- Drivers should assist pupils who require assistance when entering and exiting the vehicle.
- The driver must not leave the vehicle unattended while pupils are in the vehicle. This does not apply when a driver leaves the vehicle to assist pupils in entering and exiting the vehicle.
- Only the driver may occupy the driver's seat.
- The Operator of a learner transport vehicle shall not allow any learners to travel in the vehicle if not in-possession of a learner transport ID card. Learner Transport ID cards must be issued by the allocated schools and must be in conjunction with the carrying capacity of the allocated vehicle.
- Contracted vehicle to be dedicated to contracted service and not used for service outside the contracts

10 VEHICLE TRACKING AND COMMUNICATION

Proposal on the description and capability of electronic system / tracking system to be used to capture operational information including passenger data (to be put as part of contract management plan)

All vehicles to be used for dedicated learner transport services must be fitted with functional tracking devices (package to include access to reports), first aid kits and a form of approved two-way radio communication equipment capable (cell phones will be accepted) of transmitting and receiving messages between vehicle(s) and a base station.

The tracking device must always be able to provide information on the Key Performance Indicators in 4.3 In addition the tender must include a tracking system containing, but not limited, to the following capabilities/ Minimum outputs:

- Functioning in both rural and urban areas
- Capable of producing report on KPI required for payment of services
- Must be able to withstand robust usage, abuse, and bumpy conditions
- Live data transfer capability
- Connection for integration with Vehicle Information System
- Accurate geographic location information
- Data must be available in a format that allows its interface with the department management and monitoring system
- The interface should be a standard SQL format
- Data sent must be date, time, km, latitude, longitude, speed, accelerometer reading, driver ID,
- Failed GPS data transmission should be stored and be retrievable
- Sending of backlog data handling
- Configurable delay on startup and shutdown of vehicle
- All vehicle must be fitted with tracking devise before commencement of service
- No claims will be paid without valid reports showing trips operated, routes, departure and arrival times, including number of learners transported.

11. PENALTIES

- 11.1 The services shall be monitored, and penalties will be imposed where there is non-compliance. Penalty categories shall be specified in a contract between the Department and the Operator.

11.2 The safety of learners is paramount and the contract for any operator found to have violated vehicle safety standards more than once in a rolling three month period or has failed to address an identified safety violation within 24 hours will be immediately terminated. No learners may be transported in a vehicle with an identified safety violation.

12. OPERATING LICENSE

12.1 The Operator will ensure that it holds operating licenses for the routes to be operated in terms of this contract. The department will issue operating license for the duration of the contract. The prospective bidder must undertake to relinquish these operating licenses at the end of the contract. On expiry or termination of the contract, the Operator shall submit to the relevant the KZN Provincial Regulatory Entity all operating licenses held for—

- (a) cancellation should a subsequent negotiated contract be awarded to a different operator for the services; or
- (b) amendment should such a contract be awarded to the Operator for the services or part thereof.

13. TERMINATION OF CONTRACT

13.1 Where the Operator has breached or failed to comply with any term of the contract, the KwaZulu-Natal Department of Transport may give the Operator at least 14 days' written notice to rectify the matter, and, if the Operator has not remedied the breach within the said 14 days, without prejudice to any other rights, the KwaZulu-Natal Department of Transport shall, within 48 hours:

- (a) terminate the contract and, if appropriate, claim damages, or
- (b) institute a claim for damages and/or sue for specific performance against the Operator, and/or
- (c) claim any other lawful remedy the KwaZulu-Natal Department of Transport may have.
- (d) operator ceded its obligation under the contract

Where a vehicle being operated is found to be unroadworthy, the operator will be given 24-hour notice of termination, if not resolved, the contract shall be terminated.

14. CESSION AND DELEGATION

14.1 The Operator shall not cede his or her rights or delegate his or her obligations under the contract

14.2 No subsidized dedicated learner transport service shall be subcontracted unless otherwise declared in the bid or the department approves the subcontracting.

15. INSURANCE

15.1 The Operator must take reasonable steps to ensure the safety of passengers and property. The Department shall not be liable for any loss or damages resulting from damage to property or the death of or injury to any person which is caused by accident, intentional or negligent act or omission of the Operator and the Operator hereby indemnifies the Department against all claims, demands, lawsuits, damages, costs (including attorney and client costs), charges and expenses whatsoever in this regard. Nothing contained in this provision shall, however, be deemed to render the Operator liable for, or to indemnify the Department against, any compensation or damages for or with respect to injuries or damage to persons or property resulting from any negligent act or omission done or committed during the currency of the contract by the Department or its servants or for or in respect of any claims, demands, lawsuits, damages, costs, charges and expenses in respect thereof or pertaining thereto.

- 15.2 The Operator must effect and maintain throughout the duration of the contract, at his or her own expense, passenger liability insurance cover to the value of at least R500,000 (five hundred thousand rand) per learner, per any one incident involving a learner transported by the Operator as part of the Learner Transport Programme and full comprehensive vehicle insurance based on the realistic market value of the vehicle(s) with an insurance company chosen by the Operator and acceptable to the Department, registered with the Financial Services Board established by the Financial Services Board Act, 1990, and registered in the Republic of South Africa in terms of the Short Term Insurance Act, 1998 or other applicable legislation.
- 15.3 Proof of such insurance must be submitted to the Department prior to the commencement date of the services and the Operator must advise the Department in writing of any changes thereto and provide the Department with proof that such cover is in place on a monthly basis. Such insurance shall *inter alia* provide cover in respect of loss or damage suffered by reason of damage to property or death of or injury to any person resulting from an intentional or negligent act or omission by the Operator or its agents or servants in connection with the provision of the services.

16. INDEPENDENT CONTRACTOR

- 16.1 The Operator shall act as a contractor in his/her own right and not as an employee or agent of the KwaZulu-Natal Department of Transport and does not have the authority to bind the KwaZulu-Natal Department of Transport contractually to any other party.

17. SERVICES OUTSIDE THE CONTRACT

Vehicles contracted to dedicated learner transport services with valid operating licenses shall not be utilised for services outside the contract

18. CHOICE OF LAW

- 18.1.1 The law of the Republic of South Africa shall be applicable to this contract and any matter arising there from. The Operator shall abide by all applicable statutes, regulations, ordinances, by-laws, and other laws and bindshimself to accept the jurisdiction of the courts of law of the Republic of South Africa in respect of any matter arising out of this contract.**