



BID INVITATION DOCUMENT (SBD1)

THE MICT SETA INVITES BIDS FOR THE FOLLOWING PROCUREMENT REQUIREMENTS			
BID REFERENCE NUMBER:	MICT-SETA/TRAVEL/2017	CLOSING DATE & TIME	08 SEPTEMBER 2017 AT 11:00AM
BID DESCRIPTION			
APPOINTMENT OF A TRAVEL MANAGEMENT COMPANY FOR MICT SETA FOR A PERIOD OF THREE YEARS			
Bidders must sign the signature page of the Bid Invitation (SBD1) validating all documents included in the response to this invitation.			
The successful bidder will receive a letter of award followed by the signing of a Formal Written Contract between the MICT SETA and the awarded bidder.			
Validity period from date of closure:		150 days	
This bid invitation is subject to the Preferential Procurement Policy Framework Act and its Regulations of 2017, includes the National Treasury General Conditions of Contract available on the National Treasury website and any other Special Conditions of Contract			
Preferential Procurement System applicable for this procurement in terms of PPPFA Regulations 2017:		80:20	
Compulsory Briefing Session and Contact Person(s)	Date	N/A	
	Location		
	Contact Person		

Bid Submissions are to be deposited in the MICT SETA Tender Box situated in the Reception Area:

Physical Address:

MICT SETA Head Office
19 Richards Drive
Gallagher Convention Centre
Gallagher House
Level 3 West Wing

Envelopes to be addressed as follows:

Bid Reference Number:
Bidder's Name:
Contact Number:
Email:
Postal Address:

Bidders are cautioned to deliver bid responses to the correct address before the closing date and time and to sign the bid register at reception on submission. No late bids will be considered. The tender box is open from 08:00 until 16:30 weekdays.

Bidders must submit their bid responses on the official bid invitation document (not to be re-typed) with additional information provided and attached as supporting schedules.

This bid invitation is subject to compliance documents checklist which will serve as mandatory requirement to qualify for phase two evaluation.

Failure to submit mandatory documents listed on the checklist will result in disqualification from the technical evaluation phase

REGISTRATION OF SERVICE PROVIDERS ON THE CENTRAL SUPPLIER DATABASE (CSD)

Bidders must register on the National Treasury Central Supplier Database (CSD) in order to do business with state institutions. Only registered service provider(s) who provide proof of registration on the CSD by attaching the CSD report with the allocated "**MAAAxxxxx**" number will be awarded if found to be tax compliant and successful in the evaluation stage.

Service providers must visit www.csd.gov.za to register or contact the National Treasury on **012 406 9222** or email csd.support@treasury.gov.za for assistance.

**NUMBER OF BIDDING DOCUMENTS:
FOUR (4) HARD COPIES CLEARLY MARKED**

ONE (1) ORIGINAL

THREE (3) COPIES

Documents must be indexed for ease of reference and all pages sequentially numbered. The Proposal and the Pricing Schedule should be presented in separate envelopes. Please note that the submission format forms part of the compliance and non-adherence will result in disqualification.

The Technical Proposal will be evaluated as stage 2 of the evaluation process to determine bidder's capability, ability and eligibility for further evaluation on Price and B-BBEE which is Stage 3 of the evaluation. Only bidders who meet the minimum qualification threshold on the technical aspects will qualify for stage 2 evaluation

ANY ENQUIRIES RELATING TO THIS BID MUST BE DIRECTED TO

For Technical Enquiries:

Contact: Mr Busa Mothoagae
Designation: Consultant
Tel: 011 318 0404
Email: info@tiisang.co.za

For Bidding Enquiries

Contact: Ms Gugu Maseko
Designation: SCM Acting Manager
Tel: 011 207 2620
Email: Gugu.Maseko@mict.org.za

Enquiries in relation to this RFP will not be entertained after 4h00pm on 23 August 2017.

BIDDING PROCESS

The Evaluation Process will take place in three stages:

STAGE1 – COMPLIANCE DOCUMENTS CHECKLIST RETURNABLE DOCUMENTS

The Returnable Documents will form part of the mandatory requirements which will be checked against the checklist for compliance documents. Failure to provide the required documents will result in disqualification of bidder(s) from further evaluation on stage 2.

STAGE 2 – TECHNICAL/FUNCTIONAL EVALUATION

The compliant bidders' proposals will be evaluated against the published specifications evaluation criteria, according to the weights and scores indicated against each element

Should a need be justified, shortlisted bidders may be requested to do presentations, clarify or provide additional information before conclusion of the evaluation.

STAGE 3 – PREFERENCE EVALUATION (PRICE AND B-BBEE)

Bidders' pricing proposals will be compared on a fair and equal basis taking into account all aspects of the bid's requirements. The bidders B-BBEE scores will be added to the Price scores and ranked as follows:

Price - with the lowest acceptable priced Bid on an equal and fair comparison basis receiving the highest score as set out in the Preferential Procurement Policy Regulations 2017;

Preference - preference points as claimed in the preference claim form (SBD6.1) according to B-BBEE status level of contribution as stated in the B-BBEE Certificate or Sworn Affidavit;

The Price and B-BBEE scores will be combined to determine the successful bidder who scores the highest points.

The contract will be awarded to the highest scoring bidder subject to the bidder having supplied the relevant administrative and compliance documentation.

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CONDITIONS OF BIDDING

1. Any amendments to the bid conditions or setting of counter conditions by the bidder will invalidate the bid submission. Additional information the bidder may deem necessary to be furnished may be done so as a separate annexure.
2. The MICT SETA will not be held liable for the costs of preparation of the bid proposal incurred by the bidder in responding to this bid invitation.
3. The MICT SETA reserves the right to withdraw or cancel the bid invitation prior to award by the delegated authority.
4. This procurement is subject to firm prices in terms of Paragraph 17 of the General Conditions of Contract. "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"
5. Where items are specified in detail, the specifications form an integral part of the bid document and bidders shall indicate in the space provided whether the items offered are to specification or not.
6. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified".
7. In cases where the items are not to specification, the deviations from the specifications shall be indicated.
8. With the exception of basic prices, where required, all prices shall be quoted in South African currency.
9. Any effort by Bidder(s) to influence evaluation, comparisons, or award decisions in any manner will result in the disqualification of the bidder concerned
10. As part of the evaluation process, the MICT SETA may conduct enquiries/investigations to determine the accuracy of representations made by bidders in the bid documents.
11. All information contained in this bid document is solely for the purpose of assisting bidders to compile responses/proposals for this bid. Any use of this information other than the intended purpose stated in this document is prohibited by the MICT SETA.
12. No emailed or faxed bids will be accepted.
13. Copyright of all documentation relating to this assignment belongs to MICT SETA. The successful bidder may not disclose any information, documentation or products to other client without the written approval of MICT SETA.
14. In the event that the Company would like to use any information or data generated in terms of the services, the prior written permission must be obtained from MICT SETA.
15. Bidders shall provide full and accurate answers to the questions posed in this document, and where required explicitly state either "Comply/Not Comply" regarding compliance with the requirements. Bidders **must** substantiate their response to where required questions failure to may lead to the bidder being disqualified.

STAGE 1 – RETURNABLE DOCUMENTS CHECKLIST

1	One (1) Original and Three (3) copies response clearly marked Technical and Pricing schedule in separate envelopes	Yes	No
2	Completed and signed Bid Invitation (SBD1), Pricing Schedule (SBD 3.1), Preference Points Claim Form (SBD 6.1), Declaration of Interest (SBD 4), Declaration of Bidder's Past Supply Chain Practices (SBD 8), Certificate of Independent Bid Determination (SBD 9) and General Conditions of Contract (GCC)	Yes	No
3	Proof of Registration on National Treasury Central Supplier Database attached with compliant tax status verification	Yes	No
4	Certified Copy of B-BBEE Certificate or Sworn Affidavit for companies qualifying as EMEs or QSEs	Yes	No
5	The bidder must be an accredited Travel Agent by International Air Transport Association (IATA). Please provide a certified copy of a valid certificate as proof of your accreditation.	Yes	No
Substantiate:			
6	The bidder must have capacity to provide reliable and consistent after-hour and emergency support to MICT SETA travellers. Please provide details your after-hour support e.g how it is accessed by travellers, where it is located, centralised / regionalised, outsourced etc.	Yes	No
Substantiate:			
7	The bidder must agree to adhere to and promote MICT SETA's Travel Policy.	Yes	No
Substantiate:			
8	Three audited signed annual financial statements	Yes	No
Substantiate:			
9	Certified copy of company registration documents	Yes	No
10	List of company owners/shareholders/directors and certified ID copies	Yes	No
11	CVs of team and certified copies of qualifications	Yes	No

12	Pricing Schedules	Yes	No
13	Technical Proposal detailing how specifications will be met	Yes	No

STAGE 2 – FUNCTIONAL EVALUATION METHODOLOGY					
	EVALUATION CRITERIA	0 = does not qualify (<7 years)	12 = meet minimum spec (=7 years)	20 = Exceed expectation (>7 years)	WEIGHT
1	<p>Bidders experience and expert understanding of the travel and accommodation industry. At least more than 7 years in business</p> <p>Company compliant with IATA Regulations</p>	Information provided does not demonstrate experience in travel management services. Company handled account smaller portfolios than MICT SETA. Experience not in Public Sector	Information provided demonstrates fair experience in travel management accounts equal to MICT SETA with experience in the Public Sector	Information provided demonstrate excellent and vast experience in the Public Sector with travel management accounts than the MICT SETA	30
2	<p>Capacity:</p> <p>Provide CVs demonstrating Experience of team (at least 10 years' experience)</p>	<p>0 = Company structure with limited capacity</p> <p>Experience and qualifications of staff not satisfactory. Company only handled travel management accounts lower than that of MICT SETA</p>	<p>12 = Company structure with fair capacity</p> <p>Experience and qualifications of staff indicate fair capacity. Handled value of travel management accounts equal to MICT SETA</p>	<p>20 = Company structure with excellent capacity</p> <p>Experience and qualifications of staff indicate excellent capacity. Handled valued of travel management accounts higher than MICT SETA</p>	10
3	<ul style="list-style-type: none"> Reports - kinds of reports and frequency will be provided to the RAF by the travelling Agency. Travelling Agency must detail the role of the Accounts Manager- please detail the role Travelling Agency must describe how queries are handled. Travelling Agency 	<p>0 = No approach or not detailed</p> <p>Project methodology and approach has gaps and does not address requirements</p>	<p>18 = approach is fair</p> <p>Project Methodology and approach addresses requirements to the minimum</p>	<p>30 = approach is satisfactory</p> <p>Project methodology and approach detailed and addressed requirements</p>	40

	must provide examples Escalation process on queries.				
4	Reference letters from at least 3 (existing and previous) clients for similar assignments: rating quality of service, professionalism, transparency and turnaround times in the last five years	0 = Referrals inadequate	12 = Referrals fairly meet requirements	20 = Referrals satisfactorily meet requirements	10
		No reference letters, references not relevant or references indicate some level of dissatisfaction	Three references from clients for similar service indicate fair service and performance	Three reference from clients for similar service confirm exceptional service and performance	
5	Site visit (Infrastructure) <ul style="list-style-type: none"> Availability of a Call centre Observation on how business is conducted e.g. Responsiveness 	0 = Facilities inadequate	12 = Facilities meet requirements	20 = Facilities satisfactorily meet requirements	10
	Total				100
	Minimum Qualifying Threshold				80

THE BIDDER'S PARTICULARS				
NAME OF SERVICE PROVIDER				
REPRESENTED BY				
POSTAL ADDRESS				
PHYSICAL ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELL PHONE NUMBER	CODE		NUMBER	
EMAIL ADDRESS				
VAT REGISTRATION NUMBER				
COMPANY REGISTRATION NUMBER				
TOTAL NUMBER OF YEARS IN BUSINESS				

DESCRIBE PRINCIPAL BUSINESS ACTIVITIES:			
TYPE OF COMPANY/FIRM [Tick applicable box]			
Partnership/Joint Venture/Consortium	<input type="checkbox"/>	One person business/sole proprietor	<input type="checkbox"/>
Close Corporation	<input type="checkbox"/>	Company	<input type="checkbox"/>
(Pty) Limited	<input type="checkbox"/>	Other	<input type="checkbox"/>
COMPANY CLASSIFICATION [Tick applicable box]			
Manufacturer	<input type="checkbox"/>	Supplier	<input type="checkbox"/>
Professional Service Provider	<input type="checkbox"/>	Other service providers e.g. transporter, etc.	<input type="checkbox"/>
TAX COMPLIANCE STATUS [Tick applicable box]			
Compliant Tax Status verified on CSD	<input type="checkbox"/>	YES	NO
PREFERENCE POINTS CLAIMED [Tick applicable box]			
Has a Preference Claim form (SBD6.1) claiming your Preference Points been submitted (a B-BBEE status level verification certificate must support preference points claimed)	<input type="checkbox"/>	YES	NO
If Yes, who was the B-BBEE certificate issued by: [Tick applicable box]			
A verification agency accredited by the South African Accreditation System (SANAS)	<input type="checkbox"/>		
A Sworn Affidavit for EME or QSE confirming turnover and black ownership certified by registered Commissioner of Oaths	<input type="checkbox"/>		
Other (please specify).....	<input type="checkbox"/>		
ACCREDITED REPRESENTATIVE [Tick applicable box]			
Accredited representative in South Africa for the goods/services/works offered. If yes, please enclose proof.	<input type="checkbox"/>	YES	NO
LEGAL IDENTITY PROOF [Tick applicable box]			
Certified copies of Certificate of Incorporation (as per entity type) are enclosed	<input type="checkbox"/>	YES	NO

SBD 3.2 PRICING SHEDULE – NON FIRM PRICING	
NOTE:	
PRICES SUBMITTED FOR THIS BID WILL BE REGARDED AS NON-FIRM CONSISTING OF FIRM PRICES AT DATE OF BID SUBJECT TO ADJUSTMENT(S) IN TERMS OF THE FOLLOWING FORMULA, DEFINED AREAS OF COST AND DEFINED PERIODS.	
Bidders must complete the section “Non-Firm Prices Subject to Escalation”.	
No changes, extensions, or additional ad hoc costs to the pricing conditions of the contract shall be accepted by the MICT SETA once both parties have signed the contract.	
NAME OF BIDDER:.....BID NUMBER: MICT SETA/TRAVEL/2017	
CLOSING DATE: 08 SEPTEMBER 2017	CLOSING TIME: 11:00 AM

OFFER VALID FOR 150 DAYS FROM DAY OF BID CLOSURE

Note: The bidder must provide cost proposal for both Pricing Options. MICT Seta reserves its right to select the most cost effective option

TRANSACTION FEE – Option 1

#	Transaction Type	Cost Per Transaction
A. Air Travel		
1	Domestic transaction	
2	International transaction	
3	Re-issue	
4	Refund	
5	After hour fee	
6	Changes	
7	Cancellation	

#	Transaction Type	Cost Per Transaction
B. Vehicle Rental		
1	Vehicle Rental transaction (Domestic)	
2	Shuttle Rental transaction (Domestic)	

#	Transaction Type	Cost Per Transaction
C. Accommodation		
1	Accommodation transaction (Domestic)	
2	Accommodation transaction (International)	
3	Re-issue	
4	Refund	
5	After hour fee	
6	Changes	
7	Cancellation	

MANAGEMENT FEE – Option 2

#	Description	Monthly Management Fee
A. Air Travel		
1	Air travel	
2	Vehicle Rental	
3	Accommodation	
Total		

Total Bid Price	R
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PRICE ADJUSTMENTS: NON-FIRM PRICES SUBJECT TO ESCALATION IF CPI NOT APPLIED

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
- (1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
- D1, D2.. = Each factor of the bid price e.g. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
- R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
- R1o, R2o = Index figure at time of bidding.
- VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

R1o...Rno Index.....Dated.....Index.....Dated.....Index..... Dated.....

R1t...Rnt Index.....Dated.....Index.....Dated.....Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

SBD4 – DECLARATION OF INTEREST

Any legal person, including persons employed by the State¹, or persons having a kinship with persons employed by the State, including a blood relationship, may make an offer or offers in terms of this invitation to Bid (includes an advertised competitive Bid, a limited Bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting Bid, or part thereof, be awarded to persons employed by the State, or to persons connected with or related to them, it is required that the Bidder or his/her authorised representative, declare his/her position in relation to the evaluating/adjudicating authority where:

- The Bidder is employed by the State; and/or
- The legal person on whose behalf the Bidding Document is signed, has a relationship with persons/s person who is/are involved in the evaluation and or adjudication of the Bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and/or adjudication of the Bid.

In order to give effect to the above, the following questionnaire must be completed and submitted with this Bid:

- Full Name of Bidder or his/her representative.
- Identity Number.
- Position occupied in the Company (director, trustee, shareholder², member).
- Registration number of company, enterprise, close corporation, partnership agreement or trust.
- Tax Reference Number.
- VAT Registration Number.
- The names of all directors/trustees/shareholders/members, their individual identity numbers, tax reference numbers and, if applicable, employee/PERSAL numbers must be indicated in a separate schedule including the following questions.

Schedule attached with the above details for all directors/member/shareholders

YES	NO
-----	----

- Are you or any person connected with the Bidder presently employed by the state? If so, furnish the following particulars in an attached schedule:

YES	NO
-----	----

- Name of person/director/trustee/shareholder/member.....
- Name of state institution at which you or the person connected to the Bidder is employed.
- Position occupied in the state institution.
- Any other particulars.

- If you are presently employed by the State, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

If **Yes**, did you attach proof of such authority to the Bid document?

If **No**, furnish reasons for non-submission of such proof as an attached schedule

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the Bid.)

YES

NO

- Did you or your spouse or any of the company's directors/ trustees /shareholders /members or their spouses conduct business with the State in the previous twelve months?

If so, furnish particulars as an attached schedule.

YES

NO

- Do you, or any person connected with the Bidder, have any relationship (family, friend, other) with a person employed by the State and who may be involved with the evaluation and or adjudication of this Bid?

If so, furnish particulars as an attached schedule.

YES

NO

- Are you, or any person connected with the Bidder, aware of any relationship (family, friend, other) between any other Bidder and any person employed by the State who may be involved with the evaluation and or adjudication of this Bid?

If so, furnish particulars as an attached schedule.

YES

NO

- Do you or any of the directors/ trustees/ shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract?

If so, furnish particulars as an attached schedule.

YES

NO

SBD 6.1 – PREFERENCE POINTS CLAIM FORM

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- b) The 80/20 preference point system will be applicable to this tender.

1.3 Points for this bid shall be awarded for:

- a) Price; and
- b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows;

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRUBUTOR	20
Total points for price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status Level of Contributor together with the bid will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. POINTS AWARDED FOR PRICE

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

or

90/10

$$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where:

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

3. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

3.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table set out below:

B-BBEE Status Level of Contributor	Number of Points (80/20 System)	
1	20	
2	18	
3	14	
4	12	
5	8	
6	6	
7	4	
8	2	
Non-compliant contributor	0	

SBD – 8 DECLARATION OF BIDDER’S PAST SCM PRACTICES

- Is the Bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?

If Yes, furnish particulars as an attached schedule.

YES	NO
------------	-----------

- Is the Bidder or any of its directors listed on the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?

If Yes, furnish particulars as an attached schedule.

YES	NO
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- Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?

If Yes, furnish particulars as an attached schedule.

YES	NO
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- Was any contract between the Bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?

If Yes, furnish particulars as an attached schedule.

YES	NO
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The Database of Restricted Suppliers and Register for Tender Defaulters resides on the National Treasury’s website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.

SBD – 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting this Bid in response to the invitation for the Bid made by the MICT SETA, do hereby make the following statements that I certify to be true and complete in every respect:

- I have read and I understand the contents of this Certificate;

YES	NO
-----	----

- I understand that the Bid will be disqualified if this Certificate is found not to be true and complete in every respect;

YES	NO
-----	----

- I am authorised by the Bidder to sign this Certificate, and to submit the Bid, on behalf of the Bidder;

YES	NO
-----	----

- Each person whose signature appears on the Bid has been authorised by the Bidder to determine the terms of, and to sign, the Bid on behalf of the Bidder;

YES	NO
-----	----

For the purposes of this Certificate and the accompanying Bid, I understand that the word “competitor” shall include any individual or organisation, other than the Bidder, whether or not affiliated with the Bidder, who:

- a) Has been requested to submit a Bid in response to this Bid invitation;
- b) Could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and
- c) Provides the same goods and services as the Bidder and/or is in the same line of business as the Bidder

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 consortium³ will not be construed as collusive bidding.

In particular, without limiting the generality of paragraphs above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- a) Prices;
 - b) Geographical area where product or service will be rendered (market allocation);
 - c) Methods, factors or formulas used to calculate prices;
 - d) The intention or decision to submit or not to submit, a Bid;
 - e) The submission of a Bid which does not meet the specifications and conditions of the Bid;
- or

f) Bidding with the intention not to win the Bid.

In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this Bid invitation relates.

The terms of this 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.

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 ³Joint 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.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



mictseta

Media, Information and Communication Technologies
Sector Education and Training Authority

Accelerating quality skills towards an information savvy society

**TERMS OF REFERENCE
FOR
APPOINTMENT OF A TRAVEL MANAGEMENT
COMPANY FOR MICT SETA FOR A PERIOD OF
THREE YEARS**

CONFIDENTIAL

14 AUGUST 2017

1. BACKGROUND

- a. MICT SETA, one of the Sector Education and Training Authorities (SETA's), was established in March 2000 to transform the skills profile of the Media, Information and Communications Technology (MICT) sector. It operates within the context of the National Skills Development Strategy to raise the levels, quality and relevance of the education and training in the sector and encourages partnerships between the public and private organisations to benefit employers, employees and the unemployed.

The MICT SETA's operations are geographically dispersed with the Head Office in Midrand and three (3) branch offices spread countrywide. Its stakeholders are geographically spread throughout the country.

2. KEY OBJECTIVES

- 2.1 To coordinate and manage all requested travel arrangements for MICT SETA.
- 2.2 To coordinate and manage all requested travel arrangements for MICT SETA.
- 2.3 To develop integrated travel management reports in line with MICT SETA's requirements.
- 2.4 To liaise with the appointed MICT SETA Travel coordinator.
- 2.5 To provide assistance at any point in time (on a 24/7 basis).
- 2.6 To have a reliable accounting system.

3. SCOPE OF REQUIRED SERVICES

- 3.1 The appointed Travel Management Company/Agency will be required to always assist MICT SETA officials concerning travel arrangements. Each travel requirement must be dealt with in most applicable cost effective manner, within MICT SETA's Travel Policy and Procedure.
- 3.2 MICT SETA further reserves the right to accept more than one contractor if deemed necessary.
- 3.3 We further reserve the right to cancel the tender with prior notification.

4. OVERALL REQUIREMENTS

MICT SETA's travel requirements for domestic and/or international travel shall be in line with the organization's policy. Amongst other things, the following must be considered:

4.1 Reservation and Ticketing

- 4.1.1 Travel Management Company/Agency must make sure for every travel request, a quotation should be submitted first before any approval of such a request.
- 4.1.2 For every duly approved MICT SETA Travel request, the Travel Management Company/Agency shall immediately prepare appropriate arrangements and forward confirmations via sms /email to the traveler and requestor.
- 4.1.3 In the event that travel arrangements cannot be confirmed, Travel Management Company/Agency shall notify MICT SETA of the problem and present three (3) alternative routings/quotations for consideration.
- 4.1.4 For wait-listed bookings, Travel Management Company/Agency shall provide regular feedback to the traveler on status of flights.
- 4.1.5 Travel Management Company/Agency shall promptly issue accurate e-tickets confirmations and

detailed itineraries or sms, (in printed and electronic format) showing the accurate status of the airline, car hire and hotel reservations on all segments of the journey; and shall keep abreast of carrier schedule changes, as well as all other alterations and new conditions affecting travel and make appropriate adjustment for any change(s) in flight, schedules prior to or during the traveler's official trip. When necessary, e-tickets and billing shall be modified or issued to reflect these change

- 4.1.6 Travel Management Company/Agency shall accurately advice MICT SETA of e-ticketing deadlines and other relevant information every time reservations are made, in order to avoid cancellations of bookings.
- 4.1.7 Travel Management Company/Agency to advice that all traveling staff has all required travel documents for their journeys before departure (e.g. Immunization, weather issues, health risks, etc).
- 4.1.8 Travel Management Company/Agency must be reputable and be IATA/ASATA/BSP Affiliated/Accredited.
- 4.1.9 Travel Management Company/Agency shall only act on travel requests for official travel submitted by MICT SETA staff and approved by the Travel Manager/Coordinator.
- 4.1.10 Negotiating on behalf of MICT SETA, corporate discounts with airlines, on accumulated expenditure for air travels with all available airline companies.

4.2 Vehicle Rental

- 4.2.1 Booking vehicles with or without the services of a driver through MICT SETA's preferred car rental companies and amending any confirmed bookings if necessary.
- 4.2.2 If an accident, traffic fines, damage or theft occurs, the matter should be reported to the MICT SETA Travel Coordinator for further internal procedures to be exercised.

4.3 Accommodation, Conference and Workshops

- 4.3.1 The Travel Management Company/Agency shall upon request, facilitate the arrangement of venues for conferences, meetings, seminars and training workshops.
- 4.3.2 The Travel Management Company/Agency to negotiate on behalf of MICT SETA, to the maximum extent, possible discount rates, including net rates, for hotel accommodations applicable specifically to reservations for MICT SETA.
- 4.3.3 The Travel Management Company/Agency shall, ensure that all agreed upon conditions by the hotel or the establishment where a MICT SETA event is to take place are being met.
- 4.3.4 The Travel Management Company/Agency will ensure that any other services such as registration of participants, additional equipments, assistants, ancillary staff and transportation of participants will be satisfactorily provided.
- 4.3.5 Travel Management Company/Agency to supply MICT SETA with 3 quotations or more for all conference requirements.
- 4.3.6 MICT SETA reserves the right when necessary to approach conference venues direct to leverage better prices.

5. SUPPORT SERVICES

In respect of support services MICT SETA's requirements are as follows:

5.1 Delivery Services

All air tickets and travel documentation will be timeously delivered to the tasking official, his or her nominee or the point of delivery/collection, by branch offices or agencies situated inside or outside South Africa. Only in exceptional cases and as a mutually agreed between the Travel Management company/agency and MICT SETA, may air tickets and travel documentation be collected by officials or nominees of MICT SETA from the Travel Management Company/Agency or designated collection point.

5.2 Competency and expertise requirements

- 5.2.1 The Travel Management Company/Agency shall assign adequate personnel to service satisfactorily the volume of work and to fulfill its obligations under the contract with MICT SETA. The Travel Management Company/Agency shall assign the relevant personnel according to their technical know-how and reliability.
- 5.2.2 The Travel Management Company/Agency shall assign a representative experienced in providing corporate travel services to oversee the travel management services provided to MICT SETA and ensure full compliance with all requirements of the contract with MICT SETA.
- 5.2.3 The Travel Management Company's employees shall perform their functions in a highly efficient and professional manner.
- 5.2.4 The Travel Management Company/Agency shall have adequate capacity to handle MICT SETA's

travel requirements professionally.

5.3 The following minimum requirements are a must:

- 5.3.1 Accredited BSP/ASATA/IATA Travel Management Company.
- 5.3.2 Maintains a good track record in serving international organizations, embassies and multinational corporations; list of corporate clients should be provided.
- 5.3.3 Employs competent and experienced travel consultants, especially in international fares and ticketing, as track record.
- 5.3.4 Financially stable – annual report or audited financial statement to be provided. At least of the two past financial years.
- 5.3.5 Maintains facilities of CRS (Central Reservations Systems), basic office equipment, and telecommunication equipment.
- 5.3.6 Capable of deploying motorized messenger(s).
- 5.3.7 Willing and able to guarantee the delivery of products and services in accordance with the performance standards required by this TOR (Terms of Reference) .

5.4 24 Hour Service

- 5.4.1 Personnel from the Travel Management Company must be available on a 24-hour basis, so that as when required, unexpected changes to a travel plan can be made and attend to emergency bookings.

5.5 Policy

- 5.5.1 Once a tender has been awarded, MICT SETA will provide the travel Management Company with a copy of travel policy and procedures, and may have meetings to communicate processes if any changes arise.

5.6 Additional Services

- 5.6.1 The Travel Management Company must also assist wherever possible with the booking and payment of bus fares, arrangements where special assistance is required, traveler's cheques, excess baggage, meals etc.

5.7 General Requirements

5.7.1 The following general requirements exist:

5.7.1.1 Management Reports

- o Management reports on detailed expenses per completed month for all transactions processed per account, the number of changes made, all savings achieved and credits due as well as exception reports must be submitted on or before the 7th day of the following month (This will include weekly reports to be available every Tuesday of the following week). The reports will reflect detail per Account/Department, per Reporting Line and for MICT SETA as a whole. The submission of the management reports are to be as follows:

Air Travel

- I. Date of Travel.
- II. Passenger's particulars.
- III. Airline used.
- IV. Cost relating to airport taxes or excess luggage.
- V. Cost of air travel.
- VI. Amount saved as in relation to most expensive standard tariff specific class of travel.
- VII. Percentage saving in relation to most expensive standard tariff in specific class of travel.
- VIII. Total amount spent per airline used for the specific month.
- IX. Total amount saved for the specific month.
- X. Total accumulative amount saved for the specific year.
- XI. Total percentage of saving for the specific year.

Accommodation

- I. Date and period of an accommodation.
- II. Name of person.
- III. Cost of accommodation.
- IV. Amount saved as in relation to most expensive standard tariff specific class of travel.
- V. Percentage saving in relation to most expensive standard tariff in specific class of accommodation.
- VI. Total amount spent per service provider used for the specific month.
- VII. Total amount saved for the specific month.
- VIII. Total accumulative amount spent per service provider used for the specific year.

- IX. Total accumulative amount saved for the specific year.
- X. Total percentage of saving for the specific year.

Vehicle/Car Rental

- XI. Date and period of travel.
 - XII. Driver Details-Including Co-driver if so booked.
 - XIII. Service provider used.
 - XIV. Total distance/KM used and costs incurred.
 - XV. Amount saved as in relation to most expensive standard tariff specific class of vehicle.
 - XVI. Percentage saving in relation to most expensive standard tariff in specific class of vehicle.
 - XVII. Total amount spent per service provider used for the specific month.
 - XVIII. Total amount saved for the specific month.
 - XIX. Total accumulative amount saved for the specific year.
 - XX. Total percentage of saving for the specific year.
- 5.7.1.2 Refunds. The Travel Management Company shall process for refund on all returned airline tickets for official travel within seven days. A credit card refund notice shall be processed by the Travel Management Company on a monthly basis, by the 7th of every month.
- 5.7.1.3 Tariff/Discount Adjustments. Notices of imminent tariff adjustments, especially in respect of air travels must be made available and distributed within the Organization via e-mail. The travel management Company will be responsible for ensuring continuous negotiations to ensure lower tariffs or higher discounts.
- 5.7.1.4 Traveler's Profiles. The Travel Management Company shall maintain computerized profiles of all travelers, as designated or defined from time to time by MICT SETA , setting forth the travelers preferences regarding airlines, hotels, seating and meal requirements, and passport and such other information as is useful to facilitate such travelers travel arrangements. Traveler's profile should not supersede the Travel Policy.
- 5.7.1.5 Saving Targets. The Travel Management Company must demonstrate by way of history with current clients, the savings targets they will achieve for MICT SETA.

6. CONDUCT OF WORK

- An internal MICT SETA travel coordinator work with the service provider to be appointed. The service provider will have to develop a methodology that will clearly outline the deliverables, key milestones, and travel management arrangements in consultation with the MICT SETA's Travel Coordinator.

7. TERMS AND CONDITIONS

7.1 Travel Management Companies/Agencies.

- 7.1.1 Only bidders of recognized Travel Management Companies/Agencies, who are official members of both IATA and ASATA, will be accepted.

7.2 Adjustments to Contract.

- All discounts against the standard tariffs of, or on accumulated expenditure on airline, car rental, rail and bus companies and any rates, may not be adjusted to the disadvantage of MICT SETA within the duration of the contract. Any new airline company, car rental company, etc. will only be included if initiated or accepted by MICT SETA.

7.3 Discounts.

- A submitted bid will reflect all discounts tendered for any service. To distinguish between standard discounts, special discounts and cumulative discounts, if any, they will all be reflected separately and the conditions applicable thereto also shown separately. It must also be clearly stipulated whether any discounts represent credits. Discounts for early payment must also be indicated.

7.4 Service Fees

- Travel Management company/agency must submit their detailed service fee in respect of the following:

A. Air Travel Domestic

- Regional
- International
- Changes
- Reissue/Revalidation
- Cancellations

- Refund Processing
- After-Hours Fee
- B. Accommodation Domestic
 - Regional
 - International
 - Changes
 - Cancellations
 - After-Hours Fee
- C. Vehicle/Car Rental Domestic
 - Regional
 - International
 - Changes
 - C Cancellations
 - After Hours Fee
- D. Conferencing/Workshops Domestic
 - Regional
 - International
 - Changes/Cancellations
 - After-Hours Fee
- E. Additional / Support Services Visas
 - Insurance
 - Transfers/Shuttle Services
 - After Hours Services
 - Management Reports
 - Account Recon
 - Foreign Exchange
 - Airport Lounge Bookings
- F. Other Services
 - Other services not include above may be included but will not form part of the evaluation during the bid process.
- G. All prices quoted in the pricing schedule should be VAT inclusive.
- H Service fees charged by the Travel Management Company must be billed directly to MICT SETA and not directly to the approved/provided credit card.
 - A pricing schedule should be submitted on a separate sheet from the technical proposal for ease of evaluation. The pricing schedule should be submitted together with (SBD3.3).

7.5 Billing / Payment Method

7.6 All payments will be made in accordance with the completed and approved deliverables.

- 7.6.1 Financial penalties will be imposed for agreed upon milestones, targets, and deadlines not met without providing "Timely notification of such delays and the reason for the delays".
- Supporting evidence that the delays were outside of the influence of the service provider.
 - Original invoices as per the deliverables that substantiate all costs must be provided. The should include the provided order number/after hours go ahead by the relevant official(s).
 - No copies or emailed invoices will be processed.
 - The invoices are to contain the following minimum basic information and additional specific information relating to the indicated service provided

a) Basic Information

- Invoice number and Date
- Travel Agent's name, address, office of issue, and consultant's name.
- Travel Order/Authorisation number (A copy must accompany the invoice).
- Total amount of the invoice (Inclusive of VAT).
- Copy of the order/ After- hour authorization name.

b) Air Travel Information

- Date of Travel
- Air ticket number
- Airlines company name
- Passenger's name
- Copy of the order / After - hour authorization name.

c) Accommodation

- Date and period of accommodation
- Service Provider
- Name of Person
- Passenger's name
- Copy of the service provider's invoice and detailed service vouchers.
- Invoices to be collected from service providers by travellers in cases of international trips.
- Copy of the order / After-hour authorization name.

d) Vehicle/Car Rental

- Date and period of travel
- Service Provider
- Class of vehicle used
- Name of Person (Official driver including co-driver).
- Copy of the service provider's invoice and detailed trip sheet indicating the distance travelled and the starting points and destinations.
- Fuel Charges
- Copy of the order / After-hour authorization name.

e) Credit Notes: Credit Notes are to contain the following minimum information

- Credit note number and date
- Travel Agent's name, address, office of issue, and consultant's name.
- Name of person and designation
- Travel Authorisation / Order Number
- Invoice number and date
- Total amount credited (Inclusive of VAT)

7.7 Term

7.7.1 MICT SETA may enter into three (3)-year term contract with the successful travel management company, which may be reviewed annually for performance evaluation.

7.7.2 The successful service provider is expected to commence one month after appointment for a period of thirty six-(36) months.

7.8 Service Level Agreement

7.8.1 A Service Level Agreement (SLA) will be drawn up in consultation with the successful bidder and signed by both parties.

8. QUALITY ASSURANCE REVIEWS OF THE WORK

MICT SETA reserves the right for the Supply Chain Management to perform spot checks on the services.

9. MONITORING PROCESS OF THE ASSIGNMENTS

The appointed agency will need to work closely with the MICT SETA Administrators, Secretaries and Supply Chain Management. The service provider will have to develop a methodology that will clearly outline the deliverables, key milestones, and travel management arrangements in consultation with the MICT SETA's Travel Coordinator.

10. CONTRACTED BIDDER

10.1 Managing the Contract

10.1.1 The contracted bidder must manage the contract fairly and objectively in accordance with terms and conditions of this document.

10.1.2 The contracted bidder must appoint a contract manager who will liaise with the MICT SETA on all matters relating to the contract and inform the MICT SETA in writing, including contact details (name, telephone number, email address) of the contract manager

10.2 Communication

10.2.1 The contracted party must communicate in writing all matters relating to the contract and must not act on any requests that have not been communicated in writing from the MICT SETA.

4. Managing Performance

4.1 Where non-performance by the contracted bidder occurs, corrective action will be instituted according to terms and conditions of contract. Failure to reach agreed performance standards may result in the MICT SETA terminating the contract before the end of the contract period and penalty clause invoked.

GENERAL CONDITIONS OF CONTRACT (GCC)

In this document words in the singular also mean in the plural and vice versa, words in the masculine mean in the feminine and neuter, and words such as “will/should” mean “must”.

The National Treasury’s General Conditions of Contract (GCC) should not be amended. The MICT SETA appends Special Conditions of Contract (SCC) providing specific information relevant to a GCC clause directly below the specific GCC clause and where the MICT SETA requires a SCC that is not part of the GCC, the MICT SETA appends the SCC clause after all the GCC clauses. No clause in this document shall be in conflict with another clause.

GCC1

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,

	<p>security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>1.25. Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.</p>
GCC2	<p>2. Application</p> <p>2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2. Where applicable, special conditions of contract are also laid down to, cover specific supplies, services or works.</p> <p>2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
GCC3	<p>3. General</p> <p>3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2. With certain exceptions (National Treasury’s eTender website), 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</p>
GCC4	<p>4. Standards</p> <p>4.1. The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
GCC5	<p>5. Use of contract documents and information</p> <p>5.1. The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p>

	<p>5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3. Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser</p>
GCC6	<p>6. Patent Rights</p> <p>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.</p>
GCC7	<p>7. Performance security</p> <p>7.1. Within thirty days (30) 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.</p> <p>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.</p> <p>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:</p> <p>7.3.1. bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or</p> <p>7.3.2. a cashier's or certified cheque</p> <p>7.4. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.</p>
GCC7 SCC	No performance security required

GCC8

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 analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies, which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

GCC9

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

	<p>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.</p> <p>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.</p>
GCC10	<p>10. Delivery and Documentation</p> <p>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.</p> <p>10.2. Documents to be submitted by the supplier are specified in SCC.</p>
GCC10 SCC	<p>No quantities required for delivery. Delivery of service will be specified on the Service Level Agreement signed between the MICT SETA and the contracted party.</p> <p>MICT SETA will verify both service delivery and performance prior to signing a certificate of delivery / installation / progress milestone / commissioning evidencing such performance.</p> <p>The MICT shall ensure that payment is made on service level achieved/delivered and Contractor must ensure such approved verification accompanies the subsequent supplier invoice.</p>
GCC11	<p>11. Insurance</p> <p>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.</p>
GCC11 SCC	<p>The contracted supplier shall provide professional indemnity insurance for minimum value of R5 000 000.</p>
GCC12	<p>12. Transportation</p> <p>12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>
GCC12 SCC	<p>Terms of contract include collection of documents (payment batches) twice a week for processing.</p>

GCC13	<p>13. Incidental Services</p> <p>13.1. The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:</p> <p>13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;</p> <p>13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;</p> <p>13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;</p> <p>13.1.4. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and</p> <p>13.1.5. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.</p> <p>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</p>
GCC13 SCC	Additional services to those listed on GCC13.1 may include – risk analysis, loss analysis, conduct risk review and provide risk management strategy
GCC14	<p>14. Spare Parts</p> <p>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:</p> <p>14.1.1. such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and</p> <p>14.1.2. in the event of termination of production of the spare parts:</p> <p>14.1.2.1. Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and</p> <p>14.1.2.2. Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</p>

GCC14 SCC	Condition not applicable for this procurement
GCC15	<p data-bbox="355 226 1511 275">15. Warranty</p> <p data-bbox="355 275 1511 723">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.</p> <p data-bbox="355 723 1511 969">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.</p> <p data-bbox="355 969 1511 1081">15.3. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p data-bbox="355 1081 1511 1216">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.</p> <p data-bbox="355 1216 1511 1485">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</p>
GCC15 SCC	The supplier warrants that agreed service levels will be maintained throughout the duration of the contract
GCC16	<p data-bbox="355 1619 1511 1668">16. Payments</p> <p data-bbox="355 1713 1511 1803">16.1. The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p data-bbox="355 1825 1511 1960">16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.</p> <p data-bbox="355 1982 1511 2065">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.</p>

	16.4. Payment will be made in Rand unless otherwise stipulated in SCC
GCC16 SCC	<p>Payment will be made according to agreed terms and payment schedule provided by contractor</p> <p>Method and conditions of payment are as follows:</p> <ol style="list-style-type: none"> a) The MICT SETA only accepts invoices supported by signed status progress report in accordance with this contract as valid payment requests. b) The contractor submits the above invoices to the appointed MICT SETA contract manager for authorisation and submission to the finance unit for payment. c) The MICT SETA does not settle invoices for outstanding goods or services. d) Payment is made in the South African Rands.
GCC17	<p>17. Prices</p> <p>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.</p>
GCC17 SCC	<p>All price adjustments must be detailed on the SBD 3.2 and be applied in accordance with the terms set out on the SBD 3.2. The adjustments must be accompanied by documentary evidence for each adjustment for justification.</p> <p>Where Cost Price Adjustments (CPA) are applicable and justifiable, the bidder must declare this in the SBD3.2 for these to apply.</p> <p>All applicable and justifiable cost price adjustment must be declared on the SBD 3.2 to be considered</p> <p>Cost Price Adjustment will be verified</p>
GCC18	<p>18. Contract Amendment</p> <p>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.</p>
GCC19	<p>19. Assignment</p> <p>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.</p>
GCC20	<p>20. Subcontract</p> <p>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.</p>
GCC20 SCC	<ol style="list-style-type: none"> a) The supplier shall notify the MICT SETA in writing of all subcontracts under this contract inclusive of termination of such sub-contracts and the replacement of sub-contracts previously notified in writing. b) The supplier cannot sub-contract more than 30% of the value of the contract to

	<p>any other enterprise that does not have an equal or higher B-BBEE status level than the supplier, unless the supplier sub-contracts to an EME that has the capability and ability to execute the sub-contract.</p> <p>c) The supplier provides proof, in the legislated formats, of the sub-contractor's B-BBEE status for each sub-contract to this contract to the MICT SETA.</p>
GCC21	<p>21. Delays in supplier's performance</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
GCC22	<p>22. Penalties</p> <p>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</p>

	<p>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.</p>	
GCC22 SCC22	Performance Levels for services required	
	Non-Performance Areas	Penalty Clause invoked
	Failure by Insurance Broker to adhere to service standards resulting to over or under insurance resulting in the MICT SETA unjustly suffering a loss	Clause GCC22.1
	Poor Claims management resulting in delayed payments and/or non-payment, procedural failures resulting in undue loss accruing to the MICT SETA	Clause GCC22.1
	Poor management of insurance incidents resulting in loss accruing to the MICT SETA	Clause GCC22.1
	Other advisory and professional services incorrectly issued resulting in liability or loss to the MICT SETA	Clause GCC22.1
GCC23	23. Termination for default	
	<p>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:</p> <p>23.1.1 if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;</p> <p>23.1.2 if the Supplier fails to perform any other obligation(s) under the contract; or</p> <p>23.1.3 if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</p> <p>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</p>	

goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

23.6.1 the name and address of the supplier and / or person restricted by the purchaser;

23.6.2 the date of commencement of the restriction

23.6.3 the period of restriction; and

23.6.4 the reasons for the restriction.

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.

GCC24	<p>24. Anti-dumping and countervailing duties</p> <p>24.1. When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him</p>
GCC25	<p>25. Force Majeure</p> <p>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.</p> <p>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.</p>
GCC26	<p>26. Termination for solvency</p> <p>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.</p>
GCC27	<p>27. Settlements of disputes</p> <p>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.</p>

	<p>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.</p> <p>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.</p> <p>27.4. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5. Notwithstanding any reference to mediation and/or court proceedings herein, 27.5.1 the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and 27.5.2 the purchaser shall pay the supplier any monies due the supplier.</p>
GCC28	<p>28. Limitation of Liability</p> <p>28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6; 28.1.1 the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and 28.1.2 the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.</p>
GCC29	<p>29. Governing language</p> <p>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.</p>
GCC30	<p>30. Applicable law</p> <p>30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>
GCC31	<p>31. Notices</p> <p>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</p>

	<p>notice</p> <p>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</p>
GCC32	<p>32. Taxes and duties</p> <p>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.</p> <p>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.</p> <p>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</p>
GCC33	<p>33. National Industrial Participation Programme</p> <p>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.</p>
GCC34	<p>34. Prohibition of restrictive practices</p> <p>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).</p> <p>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.</p> <p>34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>

OTHER BID SPECIAL CONDITIONS OF CONTRACT (SCC)	
BID SCC	<p>Intellectual property provided in the bid invitation</p> <p>The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation provided by the MICT SETA to the Bidder, both successful and unsuccessful, remain the property of the MICT SETA.</p>
BID SCC	<p>Intellectual property contained in the deliverables</p> <p>The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation required as part of the delivery to the MICT SETA reside with the MICT SETA.</p>
BID SCC	<p>Third Party Agreements</p> <p>No agreement between the contracted party and the third party is binding on the MICT SETA.</p>
BID SCC	<p>Third Party Warranty</p> <p>Where the contracted party sources goods or services from a third party, the contracted party warrants that all financial and supply arrangements are agreed between the contracted party and the third party.</p>
BID SCC	<p>Contracted Party Due Diligence</p> <p>The MICT SETA reserves the right to conduct supply chain due diligence during the contract period including site visits as and when it is deemed necessary.</p>

DEFINITIONS	
	<ol style="list-style-type: none"> 1. “all applicable taxes” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies; 2. “B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act; 3. “B-BBEE status level of contributor” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; 4. “bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals; 5. “Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); 6. “comparative price” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration; 7. “consortium or joint venture” 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;

8. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
9. **“EME”** means any enterprise with an annual total revenue of R35 million or less .
10. **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
11. **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
12. **“non-firm prices”** means all prices other than “firm” prices;
13. **“person”** includes a juristic person;
14. **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
15. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
16. **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
17. **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
18. **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.