This tender document is meant for information purposes only. Interested service providers may tender through the PURCO SA website to access the tender using this link:

https://purcosa.co.za/tender/19367

ARC • LNR

Excellence in Research and Development

AGRICULTURAL RESEARCH COUNCIL

REQUESTS TO TENDER FOR:

TENDER NO: ARC/12/10/2026

REQUEST FOR INFORMATION (RFI) HOSTED AND MANAGED PRIVATE INFRASTRUCTURE-AS-A-SERVICE

Closing Date: 27 November 2026

Time: 11:00 am

Bidder's Name: ……

CSD number: ……

COMPANY NAME	SUPPLIER REGISTRATION NUMBER	UNIQUE REGISTRATION NUMBER	
			Main Contractor
			Sub- contractor / Joint Venture 1
			Sub-Contractor / Joint Venture 2

FOR INFORMATION PURPOSES ONLY

THE DETAILS AND CONTENTS OF THIS DOCUMENT ARE CONFIDENTIAL AND FOR CONSIDERATION AND RESPONSE BY THE RECORDED RECIPIENTS ON



TABLE OF CONTENTS

REQUESTS TO TENDER FOR: 2

1. **NOTICE AND INVITATION** 4
2. **INVITATION AND PURPOSE** 8
3. **PROCUREMENT STATUS AND DISCLAIMER** 8
4. **ARC CONTEXT AND STRATEGIC INTENT** 8
5. **CURRENT-STATE BASELINE** 9
6. **RFI DECISION QUESTIONS** 10
7. **DESIRED HOSTED AND MANAGED INFRASTRUCTURE SERVICES OUTCOMES** 10
8. **INFORMATION REQUIRED FROM RESPONDENTS** 10
9. **CAPACITY, PERFORMANCE AND SERVICE TIERS** 12
10. **SERVICE-PROVIDER DEMARCATION AND OPERATING MODEL** 13
11. **MIGRATION AND TRANSITION** 13
12. **SECURITY, COMPLIANCE AND DATA RESIDENCY** 14
13. **SUPPORT AND MANAGED SERVICES** 14
14. **COMMERCIAL AND TCO INFORMATION** 14
15. **MANDATORY RESPONSE STRUCTURE** 15
16. **RFI ASSESSMENT FRAMEWORK** 15
17. **RESPONDENT PROFILE** 16
18. **SUBMISSION CONDITIONS** 16
19. **RETURNABLE** 16

FOR INFORMATION PURPOSES ONLY

1. NOTICE AND INVITATION

The Agricultural Research Council (ARC) invites suitably qualified and experienced Original Equipment Manufacturers (OEMs) to submit responses to this Request for Information (RFI) for the provision of Hosted and Managed Private Infrastructure as a Service (IaaS).

All bidders shortlisted for responsive offers will be subjected to a diligence vetting process.

1.1 TENDER DOCUMENT RELATED QUERIES: PROCUREMEN DEPARTMENT

Any tender documentation-related enquiries arising from this request must be forwarded to both:

Ms Fisokuhle Dlamini PURCO SA Procurement Officer E-mail: Fisokuhle.Dlamini@purcosa.co.za	**Ms Nobubele Mlindi** ARC Supply Chain Management E-mail: MlindiN@arc.agric.za

Technical-related enquiries will be addressed via the PURCO SA website at www.purcosa.co.za, under ARC/12/10/2026. Only Bidders who have purchased the bid document will receive all tender-related enquiries accordingly. No other form of correspondence of a technical nature will be accepted.

Tender Number	**ARC/12/10/2026**
Date Issued	**02 November 2026**
Non-Compulsory Online (MS Teams) Information Session	**Date: 09 November 2026** **Time: 11:00am – 13:00pm** **Briefing session link: Join:** **https://teams.microsoft.com/meet/3821239257565388?p=GBuNOJ5FkISdf5rqWP** **Meeting ID**: 382 123 925 756 538 8 **Passcode**: RZ9Ui9Wn
Tender Closing Date & Time	**Date: 27 November 2026 at 11:00am** **Tender Submission will be Electronic on** **https://purcosa.co.za/online-tender-submissions-guide**

Bidder Name		
Address		
Contact person	Mr/Mrs/Ms/Dr/Prof.	
Contact numbers	(w)	(cell)
Email address		

FOR INFORMATION PURPOSES ONLY

1.2 CLOSING DATE AND TIME FOR ELECTRONIC SUBMISSION OF TENDER DOCUMENTS:

The closing date and time for receipt of tender is on the **27 November 2026 at 11:00 am.**

NOTE: *No physical, email or fax delivery of documents will be accepted*.

NO DRAFT SUBMISSIONS WILL BE ACCEPTED; ONLY FINAL SUBMISSIONS WILL BE EVALUATED.

1.3 PURCHASING OF TENDER DOCUMENTS

Tender documents can be purchased at a non-refundable fee of R 1,150.00 (VAT included) on the PURCO SA website and will be available from the **02nd of November 2026.**

HOW TO SUBMIT YOUR TENDER DOCUMENTS:

- To submit your tender bid, log in to the https://purcosa.co.za/ website using the username and password of the person who purchased the tender document.
- Go to https://purcosa.co.za/my-tenders to view your purchased tenders. Click on the 'Submit bid' link to submit your bid documents.
- You can also reach this page via the 'My purchased tenders' link on your Supplier Hub or in the dropdown menu under your username.
- For detailed information on how to prepare and upload your tender files, view the Online Tender Submissions Guide at https://purcosa.co.za/online-tender-submissions-guide The Guide includes information about tender security and integrity.
- We strongly recommend that you:
  - Open and review the tender submission page before the deadline day so that you fully understand what is required.
  - Submit your tender files early to avoid last-minute problems and to allow yourself the opportunity to resubmit if you experience any issues. This is particularly important if your tender files are large and you are on a slow connection.
- Neither late submissions nor physical delivery of documents shall be accepted.

1.4ESSENTIAL CRITERIA

Bidders are not allowed to remove any page from the original tender document as issued. Bidders are required to ensure that the completed document with all attachments is submitted on or before the closing date of the tender.

1.5 COMPLIANCE WITH GENERAL CONDITIONS OF CONTRACT

No alteration, variation or amendment of the Contract (of which this Tender represents the offer) shall be permitted unless otherwise agreed to in writing. Should the prospective provider, in the case of non-compliance, wish to make any amendments to the conditions stipulated by the ARC in this Tender, which shall form the offer element of a Contract and if it is accepted by the ARC, then such proposed amendments shall be clearly stipulated by the prospective provider and where possible stating the increase or decrease in the cost involved by such proposals. The ARC reserves the right to reject such submissions.

Misrepresentation of facts will result in disqualification and cancellation of the Contract.

1.6 BID DOCUMENTS

This document, in its entirety, serves as the complete Bid document. Proposals offering only part of the requirements will be rejected. The Bidder is expected to examine all corresponding instructions, forms, terms

FOR INFORMATION PURPOSES ONLY

and specifications contained in this document. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of their proposal.

1.7 CONTENTS OF SUBMISSION

Proposals shall include all relevant information about the Bidder, which is thought appropriate to assist the ARC to assess its capabilities, capacity, outputs, value-adding abilities, competitive advantage, etc.

The proposals presented are to be comprehensive and should describe the methodology to be followed in doing the following:

- The Breakdown of the complete specification with associated costs.

- All SBD (Standard Bidding Documents) must be completed and signed.

The proposals presented are to be as comprehensive as possible, and ARC reserves the right to request the Bidder to provide more details.

Bidders shall adhere to the conditions stipulated in the General Conditions of Contract as prescribed by the National Treasury.

Bidders must ensure that the complete bid document is submitted with all additional required information and any other documents that the bidder wishes to supply to substantiate or clarify specific aspects in the proposal.

1.8 DOCUMENTS COMPRISING THE PROPOSAL

In preparing the technical and price components of the submissions, all references to descriptive material and brochures should be included in the appropriate response paragraph, although material documents themselves may be provided as annexes to the proposal/response. Bidders are requested to focus on the provision of relevant information and to limit the amount of marketing and "boilerplate" material. The successful Bidder's proposal may be incorporated in whole or in part in the final contract. Any information that the Bidder considers proprietary should be marked as such.

1.9 INFORMATION

Information that the Bidder considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text, and it will be treated as such accordingly.

1.10 INTERLINEATIONS

A proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initiated by the person or persons signing the proposal.

1.11 AMPLIFICATION OF SUBMISSIONS

The ARC may, after the opening of submissions, call on the prospective Bidder to amplify in writing any matter which is not clear in the prospective Bidder's submission, and such amplification shall form part of the original submission. In the event of the prospective Bidder failing to supply such information, the submission will be liable to rejection.

1.12 COST OF PROPOSAL

Bidders shall bear all costs associated with the preparation and submission of their proposals; the ARC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bid.

FOR INFORMATION PURPOSES ONLY

1.13 PERIOD OF VALIDITY

Proposals shall remain valid for one hundred and eighty (180) days after the date of proposal submission. A proposal valid for a shorter period may be rejected by the ARC on the grounds that it is non-responsive.

In exceptional circumstances, the ARC may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

1.14 ARC LIABILITY

The ARC does not bind itself to accept the lowest or any tender proposal, nor to assign any reason for the rejection of a tender proposal, nor shall it be responsible for or pay any expenses or losses that may be incurred by the prospective provider in the preparation and delivery of its submission.

1.15 DUE DILIGENCE EXERCISE

The ARC reserves the right to perform due diligence exercises for the purpose of appointing a credible Bidder.

1.16 LEGISLATIVE FRAMEWORK OF THE BID

Tax Legislation

1. Bidder must at all times attempt to be compliant when submitting a proposal to ARC and remain Compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
2. Bidders who make taxable supplies in excess of R1 million in any 12-month consecutive period are liable for compulsory VAT registration, but a person may also choose to register voluntarily, provided that the minimum threshold of R500 000 has been exceeded in the past 12-month period.
3. Bidders who meet the above requirement must register as VAT vendors, if successful, within one month of the award of the bid.
4. SARS Tax Status Pin requirements/ or Central Supplier Database (CSD) number, or report must be provided.

1.17 CANCELLATION OF THE BID

The ARC reserves the right to cancel the bid at any time during the process should the recommended service provider/s fail to meet the requirements of the bid.

1.18 SITE INSPECTION

The ARC reserves the right to conduct a site inspection of the premises of the recommended service provider and/or the recommended service provider's clients at any given time.

1.19 PRIVACY AND PROTECTION OF PERSONAL INFORMATION ACT 4 OF 2013

Protecting personal information is important to the Agricultural Research Council and the environment. To do so, the ARC follows general principles in accordance with applicable privacy Laws and the Protection of Personal Information Act 4 of 2013 (POPIA).

1.19.1 The ARC's role as the responsible party is, amongst others, to process personal information for the intended purpose for which it was obtained and in line with legal agreements with its respective/ prospective services providers and third parties.

1.19.2 The ARC will process personal information only with the knowledge and authorization of the Bidder/respondent and will test personal information which comes to its knowledge as Confidential and will not disclose it, unless so required by law or subject to the exception contained in the POPIA.

FOR INFORMATION PURPOSES ONLY

1.19.3 The ARC reserves all the rights afforded to it by the POPIA in the processing of any of its Information as contained in this bid, and the bidder/responder with all Prescripts as detailed in the POPIA relating to all information concerning the ARC.

1.19.4 In responding to this bid, the ARC acknowledges that it will obtain and have access to personal information of the bidder/respondent. The ARC agrees that it shall only process the information disclosed by the bidder/respondent in their response to this bid for the purpose of evaluation and subsequent award of the tender and in accordance with any applicable law.

2. INVITATION AND PURPOSE

The Agricultural Research Council (ARC) ARC invites suitably qualified infrastructure, managed service, and data-centre Original Equipment Manufacture to respond to this RFI. ARC seeks concise, outcome-based information on feasible future-state architectures, operating models, migration approaches and indicative three- to five-year total cost of ownership (TCO).

3. PROCUREMENT STATUS AND DISCLAIMER

This RFI is issued solely for information gathering, market testing and planning. It is not a bid, does not create a commitment to procure, and does not confer any preference or right to participate in a later procurement. Any subsequent competitive process will be separately advertised and governed by the applicable procurement framework. Participation in this RFI will neither be mandatory nor a precondition for participation in a future tender.

4. ARC CONTEXT AND STRATEGIC INTENT

ARC is a Schedule 3A public entity established under the Agricultural Research Act, Act 86 of 1990. ARC operates across nineteen research campuses and offices in South Africa and supports scientific, laboratory, agricultural development and corporate services. ARC currently operates a hybrid IT environment comprising Microsoft Azure services and a hosted VMware-based IaaS platform. ARC is assessing the most appropriate future operating model, including a secure, resilient and scalable hosted infrastructure operations and consumption.

4.1 Strategic outcomes

The strategic outcomes should include amongst others the following:

- Service continuity and resilience for business-critical and scientific workloads.
- A simplified hosted infrastructure operating experience for provisioning, management, monitoring, and lifecycle control.
- Scalable compute, memory and storage aligned to validated demand.
- Improved cyber resilience, segmentation, policy enforcement, backup, and disaster recovery.
- Integration with ARC's existing Microsoft Azure, network, identity, and security environments.
- South African data residency and POPIA-aligned information handling.
- Predictable, transparent, and competitively benchmarkable three- to five-year TCO.
- Portability, open interfaces, and an executable exit strategy that limits lock-in.

FOR INFORMATION PURPOSES ONLY

5. CURRENT-STATE BASELINE

Important validation condition: all figures below are provisional and must be confirmed through a current-state discovery and sizing exercise before future RFP. Respondents must state the assumptions used in their RFI response.

References to existing OEM products and platforms are provided solely to describe ARC's current environment, interoperability requirements and migration context. They do not indicate a preferred OEM, product, architecture or future-state solution.

Domain	Provisional baseline	Validation required
Virtual machines	105	Total VMs: 106, 100 VMs Powered On, 6 VMs Powered Off, 79 Microsoft Server OS, 27 Linux, 95 Critical, 11 Non-Critical Reconcile inventory, power state, ownership, OS, criticality and utilisation.
Compute	256 vCPU; 3.07 TB RAM	Peak and average CPU/RAM utilisation, contention and headroom. Average CPU Utilisation 26.13%, Peak CPU Utilisation 33.23%, Minimum CPU Utilisation 19.39%, Current CPU Utilisation 29.89%, CPU Headroom = 66.77%
Primary platform	HPE GreenLake; HPE Synergy 12000 frames and Synergy 480 Gen10 compute	Support status, residual value, reuse potential and compatibility
Storage	HPE Nimble HF60, 120 TB stated	Raw/usable/allocated/consumed capacity; IOPS, throughput, latency and growth Storage Platform HPE Nimble HF60, Total Capacity (Usable)122.7 TiB, Consumed Capacity 81.5 TiB, Utilisation 66.5%, Available Capacity 41.2 TiB, Cache Capacity (Pinnable) 14.3 TiB, Data Reduction/Savings 244.1 TiB (4.0x), Growth Trend (90 Days)+1%, Growth Trend (60 Days)0%, Growth Trend (30 Days) 0%, Storage Headroom: 33.5%
Backup	Veeam; HPE StoreOnce 5250; MSL3040 LTO-8	Protected capacity, change rate, retention, success rate, restore performance and immutability
Network	Existing ARC WAN/SD-WAN/MPLS; Aruba 8320 and Cisco MDS	Demarcation, dependencies, port speeds, protocols, security zones and DR connectivity
Hosting	One primary hosted data centre; currently at Teraco	Facility, rack, power, connectivity, security, and secondary-site requirements
Estate	Approx. 2,000 users; 3,500 M365 accounts; 1,684 licensed users; 280 SQL databases	Confirm active users, application dependencies and workload service tiers

5.1 Mandatory pre-RFI validation outputs

- Validated Virtual Machine (VM) and application inventory with owners, dependencies, and service criticality.
- Thirty to ninety-day utilisation baseline covering CPU, memory, storage, IOPS, throughput, latency and backup.

- Workload classification and service-tier mapping.
- Support and licensing position, including VMware and Microsoft dependencies.
- Three- to five-year capacity forecast with transparent assumptions and sensitivity analysis.
- Migration grouping, modernisation candidates, technical debt and decommission candidates.

6. RFI DECISION QUESTIONS

The information provided in response to this RFI should enable ARC to evaluate potential solution approaches and make informed strategic decisions prior to finalising the detailed RFP requirements, including but not limited to the following:

1. What future-state architecture best meets ARC's scale, resilience, security, and integration requirements?
2. Should ARC adopt a hosted private cloud, consumption-based private cloud, managed IaaS, hybrid model or another clearly motivated model?
3. What virtualisation strategy provides the best balance of operational continuity, licensing sustainability, portability and TCO?
4. What capacity and service tiers are required when based on validated utilisation rather than untested growth assumptions?
5. What service-provider operating model and accountability split should apply?
6. What migration approach minimises risk and service disruption?
7. What backup and DR target state is appropriate for each workload tier?
8. What is the indicative three- and five-year TCO, including transition and exit costs?

7. DESIRED HOSTED AND MANAGED INFRASTRUCTURE SERVICES OUTCOMES

ARC is interested in a vendor-neutral hosted infrastructure outcome. Respondents should propose the most appropriate technology stack and explain how it delivers the capabilities below. ARC does not require a response on every available platform.

Capability area	Required outcome
Operations	Self-service or simplified provisioning using catalogues, templates, blueprints and policy-based controls.
Unified management	Centralised visibility and management of VMs, clusters, infrastructure capacity, performance, alerts and protection status.
Lifecycle automation	Coordinated and supportable lifecycle management for compute, storage, network, firmware, platform software and hypervisors.
Flexible virtualisation	Support for ARC's current VMware workloads and a credible pathway to alternative or mixed virtualisation where justified.
Elastic capacity	Modular scaling and transparent capacity expansion without disruptive redesign.
Resilience	High availability, fault-domain design, non-disruptive maintenance where feasible, and clearly stated service-level boundaries.

FOR INFORMATION PURPOSES ONLY

Data services	Enterprise block/file capabilities, snapshots, replication, encryption and workload-aligned performance tiers.
Data protection	Integrated backup, immutable and/or air-gapped recovery, rapid restore and DR orchestration.
Security	Segmentation, least privilege, MFA/RBAC, audit trails, secure APIs, vulnerability management and integration with ARC controls.
Hybrid integration	Interoperability with Microsoft Azure, ARC identity, existing WAN/SD-WAN/MPLS and security environment.
Commercial model	Pay-upfront, subscription, reserved-capacity and/or consumption options with transparent metering and predictable cost.
Portability	Documented export, migration, configuration portability, open APIs and transition support.

8. INFORMATION REQUIRED FROM RESPONDENTS

8.1 Proposed architecture and operating model

- Provide up to two proposed options.
- Include a high-level logical architecture, hosting location, resilience design, management plane, security boundaries and integration points.
- Explain why the option is proportionate to ARC's current scale and how it can expand over three to five years.
- Identify all material dependencies, exclusions, constraints and ARC responsibilities.
- State which components are proprietary and how portability risk is mitigated.

8.2 Technology proposal

Respondents must propose the platform they consider most appropriate. The response should not be a catalogue of technologies. It must cover the following:

- Compute, storage and network architecture, including current-generation components and lifecycle policy.
- Virtualisation platform, management tooling and licensing model.
- Support for VMware continuity and the practical option to introduce or migrate to an alternative hypervisor, where appropriate.
- Unified management across current and future clusters and, where proposed, public-cloud VMs.
- Automation, blueprints, observability, capacity analytics and full-stack lifecycle management.
- Compatibility with the current environment, opportunities for reuse, and material constraints such as storage protocols or switch requirements.
- Roadmap, support lifecycle and upgrade approach.

FOR INFORMATION PURPOSES ONLY

8.3 Continuity and interoperability

ARC will recognise demonstrable value from a low-risk evolution of the existing environment, but existing-vendor compatibility alone will not determine the outcome. All respondents, including those proposing continuity with the current environment, must demonstrate how their proposed option addresses migration risk, service continuity, interoperability, TCO, portability and exit requirements.

- Describe how the proposal integrates with or transitions from HPE GreenLake, HPE Synergy, HPE Nimble/Alletra-aligned storage, HPE StoreOnce, Aruba networking, VMware, Veeam and Microsoft Azure.
- Quantify which current assets, skills, operational processes and integrations can be retained, repurposed or must be replaced.
- Identify migration tools, image conversion, coexistence, rollback and cross-hypervisor mobility capabilities.
- State any requirements for dedicated clusters, new switching, protocol changes, customer-supplied software or licences.

9. CAPACITY, PERFORMANCE AND SERVICE TIERS

ARC will replace the unvalidated 50% annual compute and storage assumption with a validated forecast. For this RFI, respondents must price the common scenarios below and state the unit metrics used.

Scenario	Capacity basis	Purpose
Baseline	Validated current demand plus agreed operational headroom	Like-for-like market comparison
Moderate growth	Baseline + 25%	Near-term sensitivity
High growth	Baseline + 50%	Upper-range sensitivity
Respondent forecast	Evidence-based three- and five-year forecast	Recommended target architecture and TCO

9.1 Workload service tiers

Tier	Illustrative workload profile	ARC planning target	Respondent input required
Tier 1: Critical	Identity, core databases, critical laboratory/business services	RPO: ≤15 min; RTO: ≤2 hours	Confirm achievability, architecture, dependencies and cost
Tier 2: Important	Important production systems and shared services	RPO: ≤4 hours; RTO: ≤8 hours	Confirm achievability, architecture, dependencies and cost
Tier 3: Standard	Lower-criticality production, test and development	RPO: ≤24 hours; RTO: ≤48 hours	Confirm achievability, architecture, dependencies and cost

FOR INFORMATION PURPOSES ONLY

The RPO/RTO values are planning targets for market comparison and will be validated with business owners before any RFP.

9.2 Backup, Cyber Recovery and Disaster Recovery

- Propose the target backup and recovery architecture, including retention tiers, immutability, encryption, air-gap or isolation controls, malware/ransomware recovery and restore validation.
- Explain integration with or transition from Veeam, StoreOnce and tape services.
- Propose DR architecture by workload tier, secondary-site requirements, replication method, orchestration, testing and evidence of recoverability.
- Distinguish infrastructure/data availability from application availability and state all exclusions.
- Provide separate indicative costs for backup, cyber recovery, DR infrastructure, connectivity and testing.

10. SERVICE-PROVIDER DEMARCATION AND OPERATING MODEL

Service domain	ARC baseline position	Respondent must clarify
WAN/SD-WAN/MPLS	Existing ARC service remains in place	Handover point, required bandwidth, latency, routing, monitoring and incident coordination
Data-centre facility	Hosted service required in South Africa	Facility/operator responsibility, rack/power/cross-connects, physical security and resilience
Hosted and Managed Infrastructure Service Platform	Provider/OEM-supported service	Hardware, platform software, management plane, lifecycle, monitoring, support and capacity responsibilities
Guest OS and middleware	Operating model to be selected	Patching, hardening, licensing, monitoring and escalation responsibilities
Backup and DR	Shared responsibility to be defined	Policy, job management, testing, restoration, replication and recovery declaration
Security	Shared responsibility	Identity, privileged access, logs, SIEM forwarding, vulnerability remediation and incident response
Azure integration	Existing ARC capability	Connectivity, identity, management, workload portability and cost boundaries

11. MIGRATION AND TRANSITION

- Discovery, dependency mapping and application compatibility assessment.
- Migration waves, pilot approach, coexistence, data seeding and cutover.
- Tools for VMware migration, image conversion and/or hypervisor transition.
- Downtime assumptions, rollback criteria and business-continuity controls.

FOR INFORMATION PURPOSES ONLY

- Database, file service, backup and DR migration considerations.
- Knowledge transfer, operational acceptance, documentation and training.
- High-level schedule expressed as phases and dependencies, not an unvalidated fixed implementation commitment.

12. SECURITY, COMPLIANCE AND DATA RESIDENCY

- All ARC production data and primary/DR copies must reside in South Africa unless ARC expressly approves another arrangement through a lawful process.
- Describe POPIA-aligned controls, operator obligations, sub-processors, breach notification, retention, deletion and audit rights.
- Detail RBAC, MFA, privileged-access controls, encryption at rest/in transit, key management, segmentation and audit logging.
- Explain integration with Microsoft Defender and Elastic SIEM, including supported log formats, APIs, CEF/syslog/JSON and retention options.
- Identify whether privileged or support access occurs outside South Africa and the controls applied.
- Provide relevant certifications and independent assurance for the proposed service and hosting locations.

13. SUPPORT AND MANAGED SERVICES

- Service desk and support hours, channels and South African support footprint.
- OEM escalation and end-to-end accountability across hardware, platform software, hypervisor, backup and data centre.
- Monitoring, event and incident management, problem management, change, patching, configuration and capacity management.
- Full-stack lifecycle approach and responsibility for tested updates.
- Operational dashboards covering availability, performance, capacity, protection, incidents, vulnerabilities and service improvement.
- Optional fully managed, co-managed and self-managed models with a clear responsibility matrix and pricing.

14. COMMERCIAL AND TCO INFORMATION

Pricing is indicative and non-binding. All amounts must exclude VAT and identify the pricing date, validity period, exchange-rate assumptions, and annual escalation assumptions.

Cost category	Required disclosure
Infrastructure/service subscription	Reserved capacity, buffer, consumed capacity, unit rates, minimum commitment, and metering method
Software and licensing	Hypervisor, management, backup, database dependencies and third-party licences
Hosting and connectivity	Rack, power, cross-connect, bandwidth and secondary-site costs
Managed services	Fixed and variable fees by responsibility model

FOR INFORMATION PURPOSES ONLY

Implementation and migration	Discovery, design, build, migration, testing, training and project management
Growth	Unit prices for compute, memory, storage and protected capacity; lead times and discount tiers
Lifecycle	Refresh, upgrade and support costs during the term
Exit	Data/configuration extraction, migration assistance, knowledge transfer and secure deletion
TCO	Three- and five-year totals for baseline, +25%, +50% and recommended forecast

15. MANDATORY RESPONSE STRUCTURE

1. Executive summary and proposed option.
2. Current-state assumptions and information gaps.
3. Proposed architecture and operating model.
4. Hosted and Managed Infrastructure Services
5. Capability response using Appendix A.
6. Virtualisation strategy and licensing implications.
7. Capacity, performance and scalability approach.
8. Backup, cyber recovery and DR.
9. Security, compliance and South African data residency.
10. Migration, coexistence, rollback and exit approach.
11. Service demarcation and responsibility matrix.
12. Indicative three- and five-year TCO using Appendix B.
13. Risks, dependencies, exclusions and decisions required from ARC.
14. Relevant South African reference implementations.

16. RFI ASSESSMENT FRAMEWORK

The RFI will not result in an award. ARC intends to use the following decision framework to compare information consistently and shape a future RFP. Any RFP criteria and weightings will be formally approved and published in the subsequent procurement process.

Decision area	Indicative RFI weighting	What ARC will assess
Architecture outcomes	20%	Fit, simplicity, scalability, unified operations and lifecycle automation
Continuity, interoperability and migration risk	25%	Compatibility, skills/process reuse, coexistence, rollback and disruption risk
Resilience, backup, DR and security	15%	Service-tier alignment, recoverability, cyber resilience, data residency and controls

FOR INFORMATION PURPOSES ONLY

Operating model and support	20%	Demarcation, accountability, local capability, OEM support and manageability
Commercial model and 5-year TCO	15%	Transparency, comparability, predictability, growth economics and exit cost
Portability and exit	5%	Open interfaces, exportability, documentation and transition support

17. RESPONDENT PROFILE

- Legal entity, ownership, years in operation and South African operational footprint.
- OEM relevant to the proposed option.
- Breakdown pricing schedule, for information purposes only.

18. SUBMISSION CONDITIONS

- Responses must follow the structure in section 15 and complete both appendices.
- ARC may request clarifications, demonstrations, or non-binding workshops/presentations.
- Respondents bear their own response costs.
- ARC may use RFI information for planning and requirement development, subject to stated confidentiality markings and applicable law.
- ARC is not obliged to proceed with a procurement or accept any recommendation.
- References to existing OEM products and platforms are provided solely to describe ARC's current environment, interoperability requirements and migration context. They do not indicate a preferred OEM, product, architecture or future-state solution.

19. RETURNABLE

No.	Document required	Requirement
1	Company Profile	Indicating company background, experience in delivering hosted and managed infrastructure.
2	Proposed Solution Architecture	High-level architecture diagram illustrating the proposed IaaS solution and its components.
3	Technical Solution Proposal	Description of the proposed compute, storage, networking, virtualisation, cloud management and scalability capabilities.
4	Technical Datasheets	Manufacturer datasheets and specifications for the proposed hardware, software and infrastructure components.

FOR INFORMATION PURPOSES ONLY

5	Bill of Materials (BOM)	Indicative infrastructure configuration, quantities, capacities and proposed components, where applicable.
6	OEM Certificate	Valid proof of ownership,
7	Key personnel certification	Provide a minimum OEM certification required for deployment and support.
8	Implementation and Migration Methodology	Proposed implementation approach, migration plan, testing, commissioning and indicative project timeline.
9	Proposed Service Levels and Support Requirements	Proposed availability, incident response, resolution targets, support hours, escalation and service reporting.
10	Security and Compliance Documentation	Relevant security policies, certifications, data protection measures and information security controls.
11	Business Continuity and Disaster Recovery Plan	Proposed backup, recovery, resilience and disaster recovery arrangements, including indicative RPO and RTO.
12	Indicative Pricing Schedule	Indicative costs for infrastructure, subscriptions, licensing, implementation, support and additional capacity.
13	Service Description and Support Model	Description of managed services, monitoring, maintenance, capacity management and the division of responsibilities between the provider and ARC.
14	Assumptions, Dependencies and Exclusions	Document identifying customer prerequisites, infrastructure dependencies, limitations and excluded services.
15	Annexture A	Respondents to complete the spreadsheet and provide supporting documentation

FOR INFORMATION PURPOSES ONLY

Initial…….

SBD 1

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF THE (*AGRICULTURAL RESEARCH COUNCIL*)					
BID NUMBER:	**ARC/12/10/2026**	CLOSING DATE:	**27 November 2026**	CLOSING TIME:	**11:00**
DESCRIPTION	**REQUEST FOR INFORMATION (RFI) HOSTED AND MANAGED PRIVATE INFRASTRUCTURE-AS-A-SERVICE**				

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Fisokuhle Dlamini**	CONTACT PERSON	**Ms Nobubele Mlindi**
TELEPHONE NUMBER	**011 545 0940**	TELEPHONE NUMBER	**060 536 5622**
E-MAIL ADDRESS	**Fisokuhle.Dlamini@purcosa.co.za**	E-MAIL ADDRESS	**MlindiN@arc.agric.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] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ 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]

FOR INFORMATION PURPOSES ONLY

Initial…….

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

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.

FOR INFORMATION PURPOSES ONLY

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE SUBMITTED ELECTRONICALLY ON https://purcosa.co.za/ . 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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. **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 PIN 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."

FOR PURPOSES ONLY

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 ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

ANY ENQUIRIES REGARDING THE TECHNICAL QUESTIONS AND BIDDING PROCEDURE MAY BE RESPECTIVELY DIRECTED TO:

Contact Person: Ms Nobubele Mlindi

Tel: 060 536 5622

E-mail address: MlindiN@arc.agric.za

Contact Person: Fisokuhle Dlamini

Tel: 011 545 0965

E-mail address: Fisokuhle.Dlamini@purcosa.co.za

All technical enquiries must be forwarded in writing to the above-mentioned, who will act as communicator between the Bidder and ARC to ensure that all Bidders receive the same information.

FOR INFORMATION PURPOSES ONLY

SBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement, bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders/individuals who wish to submit bids.

2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za

6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

FOR INFORMATION PURPOSES ONLY

SBD 3.3

PRICING SCHEDULE – FIRM PRICES
(PURCHASES)

NOTE: NOT APPLICABLE AT THIS STAGE

FOR INFORMATION PURPOSES ONLY

Initial…….

SBD 4

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

[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.

FOR INFORMATION PURPOSES ONLY

Initial…….

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 or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:
……
……

3 DECLARATION

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

3.1 I have read, and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 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.

[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.

FOR INFORMATION PURPOSES ONLY

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

FOR INFORMATION PURPOSES ONLY

SBD 5

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

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

1. PILLARS OF THE PROGRAMME

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

(a) Any single contract with imported content exceeding US$ 10 million.

or

(b) Multiple contracts for the same goods, works or services each with imported content exceeding US$ 3 million are awarded to one seller over a 2-year period which in total exceeds US$ 10 million.

or

(c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US$ 10 million.

or

FOR INFORMATION PURPOSES ONLY

(d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US$ 10 million.

1.2 The NIP obligation to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30% of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.

1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.

1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R 10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.

2.2 The purpose for reporting details of contracts in excess of the amount of R 10 million (ten million Rands) is to cater for multiple contract for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works and services under the same contract as provided for in paragraphs 1.1 (b) to 1.1 (d) above.

3. BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.

3.2 In order to accommodate multiple contracts for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R 10 million (ten million Rands), to contact and furnish the DTI with the following information:

FOR INFORMATION PURPOSES ONLY

- Bid / contract number
- Description of the goods, works or services
- Date on which the contract was accepted
- Name, address and contact details of the government institution
- Value of the contract
- Imported content of the contract, if possible.

4. PROCESS TO SATISFY THE NIP OBLIGATION

4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:

a. The contractor and the DTI will determine the NIP obligation;

b. The contractor and the DTI will sign the NIP obligation agreement;

c. The contractor will submit a performance guarantee to the DTI;

d. The contractor will submit a business concept for consideration and approval by the DTI;

e. Upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;

f. The contractor will implement the business plans; and

g. The contractor will submit bi-annual progress reports on approved plans to the DTI.

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

FOR INFORMATION PURPOSES ONLY

Bid Number: ……

Closing Date: ……..

Name of Bidder: ……..……

Postal address: ……

……

Signature: ……

Name (In print): ……...

Date: ……

FOR INFORMATION PURPOSES ONLY

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

---

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

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

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

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

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

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

a) Price; and

b) Specific Goals.

FOR INFORMATION PURPOSES ONLY

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	**80**
SPECIFIC GOALS	**20**
Total points for Price and SPECIFIC GOALS	**100**

1.5 Failure on the part of a Bidder 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 Bidder, 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).

FOR INFORMATION PURPOSES ONLY

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

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

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

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

$$Ps = 80\left(1 - \frac{Pt - Pmin}{Pmin}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - Pmin}{Pmin}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1 POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the Bidder 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,

FOR INFORMATION PURPOSES ONLY

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 Bidders: The Bidder must indicate how they claim points for each preference point system.)

Specific Goals	Percentage Ownership (1%)	Points (20)	Points (10)	Number of points claimed (80/20 system) *(To be completed by the Bidder)*
Ownership by HDIs	51%+	6	3	
Ownership by Women	51%+	4	2	
Ownership by Youth	51%+	4	2	
Ownership by PwD	51%+	2	1	
BEE status	Level 1-4	2	1	
RDP goal	Points will be allocated to enterprises located in rural areas.	2	1	
TOTAL POINTS		**20**	**10**	

NB: The above Information will be verified through CSD (Central Supplier database)

DECLARATION WITH REGARD TO COMPANY/FIRM

1. Name of company/firm……

2. VAT registration number: ……..……..

3. Company registration number: ……

4. TYPE OF COMPANY/ FIRM

   □ Partnership/Joint Venture / Consortium

FOR INFORMATION PURPOSES ONLY

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

5. DESCRIBE PRINCIPAL ACTIVITIES

……
……
……
……
……

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 Bidder 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.

FOR INFORMATION PURPOSES ONLY

.....

SIGNATURE(S) OF BIDDER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

.....

.....

FOR INFORMATION PURPOSES ONLY

ADHERENCE TO THE ARC'S CODE OF ETHICS

1. INTRODUCTION

This statement forms part of the Agricultural Research Council's "Ethics and Fraud Prevention strategy". It sets out the tone, culture and expectations of the ARC in promoting a policy of fair dealing and integrity in the conduct of business and the countering of fraudulent activities.

2. POLICY

2.1 The ARC's vision is to provide Excellence in Agricultural Research and Development.

2.2 The ARC will do everything possible to promote honesty, integrity and to adhere to all applicable laws in everything it does and is committed to the prevention, deterrence, detection and investigation of all forms of non-adherence to policies, laws and the Code of Ethics.

2.3 ARC Council members, Audit Committee members and employees at all levels are expected to adopt the highest standards of propriety and accountability. These standards are also expected from organizations that the ARC deals with such as suppliers, contractors, customers, partners, etc.

2.4 If it is established that suppliers, contractors, customers and partners have engaged in corrupt, dishonest, fraudulent activities or have contravened the supply chain policy of the Code of Ethics in competing or executing the contract awarded, the ARC will immediately terminate the contract. Any supplier, contractor, partner or officer representing any of the entities if found guilty of any of the above they will be declared ineligible to supply goods, works and services to the ARC under any programmes or projects managed and administered by the ARC on behalf of its clients.

2.5 The ARC can in its sole judgement proceed to pursue any legal remedies available.

FOR INFORMATION PURPOSES ONLY

3. CULTURE

3.1 Adherence to laws, policies and procedures, the prevention and detection of fraud and corruption and the protection of ARC's assets is every stakeholder's responsibility.

3.2 Council members, Audit Committee members, all employees are expected to carry out their duties to the best of their ability for the benefit of the ARC and not to take advantage of any situation for personal gain, for themselves, members of their family or friends.

4. CODE OF ETHICS AND FRAUD PREVENTION STATEMENT

4.1 Members of the public, suppliers, contractors and partners are expected to act with integrity in their business dealings with the ARC and not to behave dishonestly to the detriment of the ARC.

4.2 The ARC has set up a secure and confidential framework, within which any employee, member of the public, suppliers, contractors, partners are encouraged to raise concerns if they know of or suspect that the following is about to occur or has occurred:

- Fraud;
- Corruption;
- Abuse of assets;
- Irregular transaction are taking place;
- Fruitless expenditure has been incurred;
- Endangering of an individual's health and safety;
- A violation of applicable laws, rules, policies or regulations of the Code of Ethics.

4.3 The ARC will ensure that any allegations received are taken seriously and investigated in an appropriate manner.

4.4 The ARC will deal firmly with those who act dishonestly. Following proper investigation, appropriate disciplinary action and / or criminal proceedings will be instigated.

4.5 Suppliers, contractors and partners acknowledge that they have read and understood relevant sections of the Code of Ethics policies, procedures and laws applicable to them.

FOR INFORMATION PURPOSES ONLY

4.6 Stakeholders who wish to remain anonymous when raising concerns are encouraged to use the following secure hotline:

Free Call Telephone Number:	0800 000 604
Free Call Facsimile Number:	0800 007 788
E-mail:	arc@tip-offs.com
"Please call me" number:	32840
Tip-offs anonymous url:	www.tip-offs.com

No-one will be subjected to retaliation for good faith reporting of a suspected violation.

4.7 Concerns can only be adequately investigated if all relevant facts concerning the issue being reported are disclosed. Stakeholders are encouraged to provide relevant facts including supporting documentation if available.

I, the undersigned…….

in my capacity as an authorized representative

of ……..registration

number ……

HEREBY ACKNOWLEDGE:

1. That I have been explicitly informed of and consequently an fully aware of the fact that:

   a) I must adhere to sections of the ARC Code of Ethics, supply chain policy and laws that apply to me as a supplier or contractor;

   b) I will report to the ARC any violations and contraventions of its Code of Ethics, policies, procedures that I may become aware of;

   c) Failure to adhere to (a) and (b) above will result in the cancellation of my contract with the ARC and the ARC in its sole judgement may pursue any other legal action it deems appropriate.

FOR INFORMATION PURPOSES ONLY

NAME(S): (BLOCK LETTERS) ……

CAPACITY of authorized agents: ……

SIGNATURE(s) of authorized agents: ……

SIGNED AT …… on this …… day of ……..…

WITNESSES: (Full name – BLOCK LETTERS – and signature)

1. …… ……..

2. …… ……...

FOR INFORMATION PURPOSES ONLY

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following items 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 encourage 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 specific store or depot or on the specified site in compliance with the conditions of

FOR INFORMATION PURPOSES ONLY

the contract or order, the supplier bearing all risks and charges involved until the goods 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, by 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 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 sub-contractors) 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 goods 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.

FOR INFORMATION PURPOSES ONLY

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 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility of all aspects of the project and delivers the full end product / service required by the contract

1.28 “Written” or ‘in writing” means hand-written in ink or any form of electronic or mechanical writing.

2. Application

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

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

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

FOR INFORMATION PURPOSES ONLY

3. General

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

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria, 0111, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information inspection

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

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

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

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

FOR INFORMATORY PURPOSES ONLY

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 the SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

a) A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country, or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

b) A cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analysis

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 PHASE 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 Is 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

FOR INFORMATION PURPOSES ONLY

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 analysis 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 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.

FOR INFORMATION PURPOSES ONLY

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

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

12. Transportation

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

13. Incidental services

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

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 to 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.

FOR INFORMATION PURPOSES ONLY

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 relive 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 permit 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.

FOR INFORMATION PURPOSES ONLY

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 the SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

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

17. Prices

17.1 prices charged by the supplier for goods delivered and service 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. Variation orders

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.

FOR INFORMATION PURPOSES ONLY

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 the contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relive 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 sub-contractor(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, it's likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchase shall evaluate the situation and may at his discretion extend by 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 service from a national department, provincial department or a local authority.

21.4 The right is reserves to procure outside of the contract small quantities or to have minor essential services executed is an emergency arises, the supplier's point of supply is 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 supplier 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

FOR INFORMATION PURPOSES ONLY

may be required to complete the contract and without prejudice to his other rights, be entitles 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 judgement 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 purchase 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 purchase 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 purchase intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of 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

FOR INFORMATION PURPOSES ONLY

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 Is 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.

23.7 If a court of law convicts a person of an offense as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, 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 in 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

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 reduces, any such favorable 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 supplied 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.

FOR INFORMATION PURPOSES ONLY

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 is 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 reasonable 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

FOR INFORMATION PURPOSES ONLY

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 to the supplier.

28. Limitation of Liability

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

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 contact 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

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.

FOR INFORMATION PURPOSES ONLY

32. Taxes and Duties

32.1 A foreign 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. Transfer of contracts

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. Amendments of contracts

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

34.3 Is 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.

FOR INFORMATION PURPOSES ONLY