



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

Private Bag X136, Pretoria, 0001 or 124 Church Street, Poyntons Building West Block, Pretoria, 0001
Tel (012) 307 2431, Fax (012) 323 5621, Jacob.Sibanyoni@dcs.gov.za

Ref : 6/1/3/4
Enq J Sibanyoni

The Manager

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Sir

BID DCS8/1/2022: SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY HENS TO VARIOUS CORRECTIONAL CENTRE FARMS FOR PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES

The Department of Correctional Services requires the item(s)/service(s) as described per attached bid invitation.

You are requested to complete the bid documents and submit it to the address indicated in the SBD 1.

Bidders must take note of the following:

- The closing date of the bid will be at **11h00 am on 28 November 2022** and will be valid for a period of **hundred and twenty (120) days** after the closing date.
- Bids must be submitted in one sealed envelope. The name and address of the bidder, the bid number and closing date must be indicated on the envelope. The envelope must not contain documents relating to any other bid.
- It is the responsibility of bidders to ensure that bids reach the address indicated on the SBD 1 before the closing date and time. **No late bids will be accepted.**
- Bidders need to acquaint themselves with the contents of the attached General and Special Conditions of Contract.
- It is the responsibility of bidders to ensure that they are registered on the National Treasury Central Supplier Database (CSD).

The following documentation must be submitted with your bid:

- Valid and original/certified copy of B-BBEE Certificate; or

- Sworn affidavit for B-BBEE Exempted Micro Enterprise/ B-BBEE Qualifying Small Enterprise.

It will be expected of the successful bidder to sign a formal contract at this office after being notified of the acceptance of his/her bid.

Yours faithfully



.....
For Acting National Commissioner: Correctional Services

Acting Director : Procurement

E.L. Motoma

Date: 2022/11/04

DCS8/1/2022

INDEX OF BID DOCUMENTATION

Description of document	Pages
Covering Letter (BD 2.1)	Two (2) Pages
Index	One (1) Page
SBD 1 Invitation to Bid	Three (3) Pages
General Conditions of Contract (GCC)	Fourteen teen (14) Pages
BD 4.1 Special Conditions of contract	Nineteen (19) Pages
South African Poultry Association code of conduct June 2022	Fifty seven (57) pages
Specification of Lay Hens	Three (3) pages
Specification for delivery	Two (2)) Pages
SBD 3.2 Pricing Schedules	Four (4) Pages
SBD 4 Declaration of Interest	Twenty eight (28) Pages
SBD 6.1 Preference Points Claimed form in terms of Procurement Regulations	Five (5) Pages

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DCS8/1/2022	CLOSING DATE:	28 NOVEMBER 2022	CLOSING TIME:	11:00am
DESCRIPTION	SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY HENS TO VARIOUS CORRECTIONAL CENTRE FARMS FOR PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BID RESPONSE DOCUMENTS MAY BE POSTED TO:					
THE NATIONAL COMMISSIONER DEPARTMENT OF CORRECTIONAL SERVICES PRIVATE BAG X136 PRETORIA 0001					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT: POYNTONS-BUILDING WEST BLOCK 124 W.F. NKOMO STREET (C/O SOPHIE DE BRUYN AND W.F. NKOMO STREET) PRETORIA 0002					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Jacob Sibanyoni		CONTACT PERSON	Vhumatshelo Mbatha	
TELEPHONE NUMBER	012 305 8041		TELEPHONE NUMBER	012 305 2121	
FACSIMILE NUMBER	012 323 5621		FACSIMILE NUMBER		
E-MAIL ADDRESS	Jacob.sibanyoni@dcs.gov.za		E-MAIL ADDRESS	Vhumatshelo.Ralikhwatha@dcs.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

<p>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No [IF YES ENCLOSE PROOF]</p>	<p>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]</p>
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

<p>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE A BRANCH IN THE RSA?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>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.</p>	

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 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.”

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

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

DATE:

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bid 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 any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or

revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 “Imported content” means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bid 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 bid documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bid documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bid 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 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bid 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 prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design

rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

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

8. Inspections, tests and analyses

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

- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract.
Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

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

- 13.1 The supplier may be required to provide any or all of the

services

following services, including additional services, if any, specified in SCC:

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

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

14. Spare parts

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to 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.

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

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

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

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

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

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

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

17. Prices

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

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

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

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

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

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

- (a) the name and address of the supplier and/or person restricted by the purchaser;
- (b) the date of commencement of the restriction'
- (c) the period of restriction; and
- (d) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

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

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

26. Termination for insolvency

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

- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of liability**
- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language**
- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law**
- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices**
- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties**
- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme**
- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive Practices**
- 34.1 In terms of Section 4(1)b(iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) was/were in collusive bid (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has/have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has/have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and/or terminate the contract in whole or part, and/or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and/or claim damages from the bidder(s) or contractor(s) concerned.

DEPARTMENT OF CORRECTIONAL SERVICES

**SPECIAL CONDITIONS OF CONTRACT:
BID NO DCS 8/1/2022**

**SUPPLY, DELIVERY AND OFF-LOADING OF POINT
OF LAY HENS TO VARIOUS CORRECTIONAL
CENTRE FARMS FOR A PERIOD OF THREE (3)
YEARS**

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1. INTRODUCTION

- 1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).
- 1.2 The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 1.3 These conditions form part of the bid and bidders need to familiarize themselves with the content thereof.

2. REGISTRATION ON CENTRAL SUPPLIERS DATABASE

- 2.1 Bidders need to register on the National Treasury Central Supplier Database in order to do business with the state. Accounting Officers cannot award any bid or price quotation to any supplier who is not registered on the Central Suppliers Database. Bidders must log on www.csd.gov.za for self-registration.

3. CERTIFICATION OF DOCUMENTS BY A COMMISSIONER OF OATH

- 3.1 Bidders must ensure that all certified copies comply with the regulation governing the administering of an oath or affirmation. The Commissioner of Oath must append a signature, date and also print out name. Copies that do not comply with this regulation will be regarded as invalid.
- 3.2 **The date of certification of the original on all copies submitted should not be older than six (6) months.**

4. CONTRACT PERIOD

- 4.1 The contract shall be for the period of three (3) years) after the signing of the contract and appointment will be in line with contract period.

5. QUANTITIES

- 5.1 The quantities furnished in the bid are **estimated quantities** and no guarantee can be given regarding the actual quantities that will be ordered.

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6. RESPONSE FIELDS

- 6.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.
- 6.2 Bid documents should not be retyped or redrafted.
- 6.3 The following bid documents must be completed in ink, signed and submitted **in an original format**:

Document	Description
SBD 1	Invitation to Bid
SBD 3	Pricing Schedule
SBD 4	Declaration of Interest
SBD 6.1	Claim Form in Terms of Preferential Procurement Regulations 2017
SBD 6.2	Declaration Certificate Designated Sector by DTI for Local Content (if applicable)

- 6.4 Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated in line with the index provided. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.

7. EVALUATION CRITERIA

The evaluation process will be conducted in phases as follows:

Phase 1	Phase 2	Phase 3
Pre-qualifying Criteria	Mandatory Requirements	Price and B-BBEE
Compliance with pre-qualifying criteria	Compliance with mandatory requirements	Bids evaluated in terms of Preferential Procurement Regulations, 2017 Bid awarded to the bidder who scored the highest total number of points in terms of the preference point system

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7.1 **Phase 1: Pre-qualifying Criteria**

7.1.1 The Preferential Procurement Regulations, 2017 prescribes that pre-qualifying must be used to advance designated groups.

7.1.2 **Only price quotations with a BBBEE level one (1) to four (4) will be considered.**

7.2 **Phase 2: Mandatory Requirements**

7.2.1. **Registered on CSD**

7.2.1.1 Bidder must be registered on the Central Supplier Database (CSD) and provide its CSD number and as per SBD1.

7.2.1.2 When a Consortium/ joint Venture / Sub- contracts are involved, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Supplier Database.

7.2.1.3 **The bids will be awarded to the bidder who is tax compliant.**

7.2.2 **Certificate: Confirmation of supply arrangements between the bidder and his/her supplier (BD 27)**

7.2.2.1 Any bidder who is not a breeder and will source point of lay hens from breeder for the purpose of supplying the point of lay hens to the Department, must ensure that the attached BD 27 is completed by his/her breeder after they have familiarised themselves with the description(s) / specifications and conditions of the bid. **Failure to submit a signed (BD 27), signed by the bidder and his/her third party (breeder) will invalidate the bid.**

7.2.2.2 The bidder must ensure that the third party (breeder) who supply the bidders with the point of lay hens must acquaint themselves with the conditions applicable to price increases.

7.2.2.3 An original certified copy of a letter issued on the official letterhead of the third party (breeder) indicating the supplier/financial arrangements between the bidder and breeder confirming items to be supplied.

7.2.2.4 The date of letter must not be older than the date of the advertisement of the bid and must clearly indicate the information of this bid

7.2.2.5 The bidder must ensure that the supply arrangements for the required point of lay hens have been mutually agreed upon with his/her supplier (breeder). No agreement between the bidder and his/her supplier (breeder) will be binding on the Department.

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- 7.2.2.6 **The Department reserves the right to verify any information supplied by the bidder and should the information be found to be false or incorrect, it will invalidate your bid.**
- 7.2.2.7 If a contract has been concluded on the basis of sourcing the point of lay hens from a breeder and the bidder for some or the other reason change the breeder, the Department should immediately be notified and a new BD 27-form (confirmation of supply/financial arrangements between the bidder and his/her breeder) should be submitted.
- 7.2.2.8 **The Department will only accept an original or certified copy of the completed and signed BD 27 and it must be attached with the standard bidding documents.**
- 7.2.3 **Standards/Specifications**
- 7.2.3.1 Bidders are required to comply with the attached National Department of Correctional Services Product Specification.
- 7.2.3.2 Bidders who are not breeders must obtain a signed original letter or certified copy of letter, on a letter head of his/her supplier (breeder) that confirms that his/her supplier (breeder) complies with the **South African Poultry Association Code of Practice June 2022**. See attached Code of Practice June 2022. **The date of the letter must not be older than the date of the advertisement of the bid.**
- 7.2.3.3 Bidders who are breeders must provide a signed original letter or certified copy of letter on his/her letter head, confirming that they comply with the **South African Poultry Association Code of Practice June 2022**. See attached Code of Practice June 2022. **The date of the letter must not be older than the date of the advertisement of the bid.**
- 7.2.4 Provide contactable details of current and previous clients (Reference letters with client's letterhead).
- 7.2.4.1 **The bidder must provide at least one reference letter with contactable details of current and/or previous clients for the supply and delivery of poultry and where the business was gained in the last twenty four (24) months by means of a price quotation/bid.**
- 7.2.4.2 **Reference letters from clients must be on the letterhead of the client.**
- 7.2.5 **Failure to comply with all requirements stipulated in paragraph 7.2. Will invalidate your bid.**

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7.3 Phase 2: Price and B-BBEE

7.3.1 In terms of Regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the Department on the **80/20 preference** point system in terms of which points are awarded to bidders on the basis of:

- a) **Bid price (maximum 80 points)**
- b) **B-BBEE status level of contributor (maximum 20 points)**

7.3.2 The following formula will be used to calculate the points for price:

Cases with a Rand value below R50 million (all applicable taxes included)	Cases with a Rand value exceeding R50 million (all applicable taxes included)
$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$	$P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$
Where :	
PS	= Points scored for comparative price of bid or offer under consideration
Pt	= Comparative price of bid or offer under consideration
Pmin	= Comparative price of lowest acceptable bid or offer

7.3.3 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

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

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- 7.3.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit a valid and original/originally certified copy of B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point. **The date of certification of the original should not be older than six (6) months.**
- 7.3.5 Preference points will be allocated to bidders who have completed and signed the declaration part of the preference claim form on the SBD 6.1 and who have substantiated their claim for B-BBEE points by submitted a B-BBEE status level certificate issued by the following verification agencies:
- 7.3.5.1 *Bidders other than EMEs and QSE,s*
- a) Verification agencies accredited by SANAS; or
- 7.3.5.2 *Bidders who qualify as EMEs and QSE's*
- a) Sworn affidavit signed by the EMEs and QSEs representative and attested by a Commissioner of Oaths.
- Bidders can access the sworn affidavits templates on https://www.thedti.gov.za/economic_empowerment/bee_codes.isp
- 7.3.6 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- 7.3.7 Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.
- 7.3.8 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 7.3.9 The points scored will be rounded off to the nearest 2 decimals.
- 7.4 **Awarding of bids**
- 7.4.1 A bid must be awarded to the bidder who scored the highest total number of points in terms of the preference point systems (price and B-BBEE points), unless objective criteria in terms of section 2(1)(f) of the Act justify the award of the bid to another bidder.
- 7.4.2 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.
- 7.4.3 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

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7.4.4 The Department reserves the right to award the contract to more than one (1) supplier for the same item (multiple awards). Please refer to paragraph 20 for ordering procedure.

8. VALUE ADDED TAX

8.1 All bid prices are inclusive of 15% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.

9. DECLARATION OF INTEREST (SBD 4)

9.1 It is important that bidders acquaint themselves with the content of the Declaration of Interest (SBD 4).

9.2 A bidder or his/her authorised representative is required to declare his/her position in relation to the evaluating/adjudicating authority and/or **take an oath declaring his/her interest, where -**

a) The bidder is employed by the state; and/or

b) The legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

9.3 The Declaration of Interest (SBD 4) must be completed in full.

9.4 Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, this Department will act against such bidder (company) and/or its Directors in terms of paragraph 23 of the General Conditions of Contract.

10. PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS

10.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.

10.2 **The Public Administration Act, 2014 (Act no. 11 of 2014), chapter 3, section 8(2)(a) specifies that an employee of the State may not conduct business with the State.**

10.3 Bidders having a kinship with persons employed by the state, including a blood relationship, must declare their interest on the SBD 4 (Declaration of Interest).

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11. FRONTING

- 11.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:
- a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.
 - b) The Department of Correctional Services, in ensuring that bidders conduct themselves in an honest manner will as part of the bid evaluation processes, conduct or initiate the necessary enquiries, investigations to determine the accuracy of the representations made in the bid documents.
- 11.2 Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/ investigation, the onus will be on the bidder/ contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from the date of notification may invalidate the bid/ contract and may also result in the restriction of the bidder/ contractor to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the Department may have against the bidder/ contractor concerned.

12. PRICE AND PRICE QUALIFICATION

- 12.1 Prices submitted for this bid will be regarded as firm for the first year (12 months) and thereafter contracted supplier can apply for two (2) price adjustments, one in the second year and one in the third year of the contract as indicated in paragraph 13.2.7 for contract price adjustment based on CPI and PPI.
- 12.2 Prices shall be quoted in South African currency.
- 12.3 The bid prices shall be given in the units shown on the pricing schedule.
- 12.4 Prices must be inclusive of delivery cost, off-loading and all applicable taxes.

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13. CONTRACT PRICE ADJUSTMENTS

13.1 Formula

- 13.1.1 Price adjustments will be considered against the Producer Price Index (PPI) and Consumer Price Index (CPI) as indicated in par 13.1.6 as published by the Department of Statistics/STATSSA. **Bidders are therefore requested to acquaint themselves with the formula that will be utilised.**
- 13.1.2 Prices submitted for this bid will be regarded as firm for the first year and thereafter contracted supplier can apply for two (2) price adjustments, one in the second year and one in the third year of the contract.
- 13.1.3 Note that price review will be done on annual basis and should the review prove that there is a reduction in the CPI and PPI; the prices will be adjusted accordingly.
- 13.1.4 Applications for price adjustments must be accompanied by documentary evidence in support of any adjustment claim.
- 13.1.5 Requests for prices adjustment(s) in the second year of the contract will be considered in terms of the formula as per paragraph 13.1.6, defined areas of cost and defined periods of time.
- 13.1.6 The following price adjustment formula will be applicable for calculating contract price **adjustments (CPA)**.

$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + \dots + Dn \frac{Rnt}{Rno} \right) + VPt$	
Pa	= The new adjusted price to be calculated.
V	= Fixed portion of the bid price (15% or 0.15).
Pt	= Original bid price. Note that Pt must always be the original bid price and not an adjusted price.
(1-V)Pt	= Adjustable portion of the bid price (85% or 0.85).
D1 – Dn	= Each factor (or percentage) of the bid price, e.g., material, labour, transport, overheads, etc. The total of the various factors (or percentages) D1 – Dn must add up to 1 (or 100%).
R1t – Rnt	= End Index. Index figure obtained from the index at the end of each adjustment period.
R1o–Rno	= Base Index. Index figure at the time of bidding.
VPt	= 15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e. it is not subject to price adjustment.

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13.2 Formula component definitions

13.2.1 Adjustable amount

The adjustable amount is the portion of the bid price which is subject to adjustment. In this bid the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

13.2.2 Fixed portion

The fixed portion represents those costs which will not change over the adjustment period and DOES NOT represents the profit margin. In this bid the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

13.2.3 Cost components and proportions

The cost components of the contract price usually constitute the cost of live animals, direct labour, cost of transport, cost of packaging and those other costs which are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid the following cost components will be used to calculate contract price adjustments.

Bidders are requested to submit the cost breakdown of the bid price for each item with their bid. Should the cost breakdown be the same for all items on the bid, please indicate it clearly in the bid document. Bidders will not be allowed to change the cost breakdown of bid prices during the tenure of the contract.

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture: Live animals	
D2 – Labour	
D3 – Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

13.2.4 Applicable indices / references

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The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:

Cost component	Index Publication	Index Reference
D1- Agriculture: Live animals	STATS SA P0142.1 (PPI)	Reference to specific Index and table. E.g. Table 5 PPI for Agriculture Fishery and Forestry.
D2 - Labour	STATS SA P0141 (CPI),	Table E - All Items
D3 -Packaging	STATS SA P0141 (CPI),	Table E - All Items
D4 – Transport	STATS SA P0141 (CPI) Table E	Table E - Transport – Other Running Cost
D5 – Other	Specify	Documentary evidence to accompany Bid document at time of bidding and with claims

13.2.5 Base Index Date

The base index date applicable to the formula is defined as the date at which the price adjustment starts. In this bid the base index date will be the month of the signing of the contract.

13.2.6 End Index Date

The end index dates are the dates at predetermined points in time during the contract period. In this bid the end indices are defined in the next paragraph (Price Adjustment Periods).

13.2.7 Price Adjustment Periods

Adjustment to contract prices may be applied for at the following dates:

Adjustment (Contract manager to decide on frequency)	CPA application to reach the office at the following dates	End Date	Index	Dates from which adjusted prices will become effective	Dates until which adjusted prices will be effective
1 st Adjustment	Twelve months (12) months from date of signing the contract	Twelve months (12) months from date of signing the contract		On month thirteen (13) from date of signing the contract	Until month twenty four (24) from date of signing the contract
2 nd Adjustment	Month twenty four (24) from date of signing the contract	Month twenty four (24) from date of signing the contract		On month twenty five (25) from date of signing the contract	Until month thirty six (36) from date of signing the contract

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14. SUBMISSION OF BIDS

- 14.1 Each bid should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed.

15. LATE BIDS

- 15.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.

16. COMMUNICATION

- 16.1 Communication after the closing date of the bid must be in writing and addressed to the Directorate Procurement: ester.moche@dcs.gov.za and/or jacob.sibanyoni@dcs.gov.za.

- 16.2 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.

17. COUNTER CONDITIONS

- 17.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

18. VENDOR ASSESSMENT (CAPABILITY AND FINANCIAL ABILITY)

- 18.1 The Department will have the right to confirm the ability of bidders to execute this contract successfully. This includes an investigation by the Department or its appointee of the following:

- a) The bidder's financial position to execute the contracts,
- b) Previous contracts executed and current contracts (SBD 4 must completed),
- c) Delivery periods, quality and quantity of products.

- 18.2 **Please provide contactable details of current and previous clients for the supply and delivery of goods and services and where the business was gained in the last thirty six (36) months by means of a price quotation/bidding process (Reference letters from client's letter head).**

- 18.3 The premises of the bidder or his/her breeder should be opened at all reasonable hour for inspection by a representative of the Department and/or its approved institution.

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18.4 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his/her offer will be regarded as not acceptable.**

19. PRICE NEGOTIATIONS

19.1 The Department reserves the right to negotiate price with bidders prior to the award of the bid.

20. ORDERING PROCEDURE

20.1 Prior to placing a formal order with the contracted supplier, the participating Management Area will submit pre-order to the first ranked supplier stipulating the details of the intended order. The supplier will be allowed a maximum of five working days to formally respond to the pre-order letter, indicating how the requirements of the order will be fulfilled. The supplier must indicate whether the order will be fulfilled in full or completely declined.

20.2 In the event that the participating Management Area do not receive the written respond on the pre-order letter within five working days, or the participating Management Area receives feedback that the supplier cannot fulfil the order in full or decline the request, the purchaser will be allowed to engaged with the next highest ranked supplier as per paragraph 20.1.

20.3 The purchasing Management Area must place the formal order within five working days from receiving the written response from the supplier, i.e. confirming that the order will be fulfilled in full.

21. AWARD CONDITIONS

21.1 Multiple award

20.1.1. The state reserves the rights to award the same item to more than two suppliers to address product availability and compatibility. Due diligence will be conducted to ensure that prices are market related and aligned to the department requirements.

20.1.2. Maximum number of bidders to be awarded will be at the discretion of the bid evaluation committee.

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20.1.3. The following will be taken into consideration when awarding through a multiple award:

- Capacity to meet volume demand as per bid requirements.
- Estimated volume to be supplied.
- Risk to the department if the item is not available.
- Source of the finished product, production inputs and manufacturing side.
- Proof of the previous performance of the bidder.

22. ORDERS/DELIVERIES/DELIVERY BASIS

22.1 Before delivery of any point of lay hens on this contract is conducted, the contractor must be in possession of an official order issued by an authorized official of the Department.

22.2 Firm delivery period must be quoted for the duration of the contract period.

22.3 Point of lay hens must be delivered and off loaded by the contracted supplier in the layer houses of the delivery point, without any additional cost to the department.

22.4 Delivery will be accepted on weekdays between 7:00 and 11:00.

22.5 All deliveries and dispatches must be accompanied by a delivery note stating the official order number against which the delivery is affected.

22.6 Deliveries not complying with the order/specifications will be returned to the contracted supplier at the contractor's expense.

22.7 The Department of Correctional Services may postpone or delay deliveries if it finds itself in any such position, as a result of circumstances beyond its control, which will make it impossible to comply with the specified delivery dates.

23. PACKAGING

23.1 Your attention is drawn to the packaging requirements as stipulated in the specification.

24. CONTRACT MANAGEMENT

24.1 The contracted supplier shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.

24.2 Contracted supplier must inform the relevant Institution immediately when unforeseeable circumstances will adversely affect the execution of the

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contract. Full particulars of such circumstances as well as the period of delay must be furnished.

- 24.3 In the event of cancellation, the supplier will be notified in writing at least twenty one (21) working days in advance.

25. PENALTIES

- 25.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)

- 25.2 The following formula will be utilized for this purpose:

$$Penalty = \left(Vx \frac{10}{100} \right) x N$$

V = Value of delayed goods or services

N = Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.

- 25.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads "Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier."

- 25.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.) during the window period of two months, following the occurrence of the unsatisfactory performance.

26. PAYMENTS

- 26.1 Payments will only be effected by the Department in the following cases:

- 26.1.1 The successful completion of a deliverable/ service in line with the specification.

- 26.1.2 Invoices should be delivered/posted or e-mailed to reach the institution that placed the order, timeously.

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- 26.1.3 The invoices should be accompanied by an inspection certificate letter that all point of lay hens delivered have been vaccinated for New Castle (NC), Infectious Bronchitis (IB), Mareks, Infectious Larungo Tracheitis (ILT), Fowl Pox, Egg Drop Syndrome, (EDS), Epidemic Tremor, Infectious Coryza, and Gumboro as per the paragraph 5 of the specification and proof of delivery.
- 26.2 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.
- 27. SETTLEMENT OF DISPUTES**
- 27.1 Should any dispute arise from the contract paragraph 27 of the General Conditions of Contract shall apply.

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SOUTH AFRICAN POULTRY ASSOCIATION



CODE OF PRACTICE JUNE 2022

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1 Background and Introduction

This Code of Practice has been compiled by the Southern African Poultry Association as an objective guide for all poultry and poultry products produced in South Africa and it is an endeavour to lay down accepted norms for the poultry industry, incorporating various legal requirements where necessary and applicable.

Where possible the Code provides defined minimum standards for the wellbeing of poultry in commercial operations, research and educational facilities. The recommendations are to be used as a guide and do not necessarily consider all possible conditions.

The minimum standards outlined in this Code are intended to assist producers and people involved in the care and management of poultry to adopt standards of husbandry that are acceptable in the light of current knowledge and changing attitudes. It is intended to serve as a guide for people responsible for the welfare and husbandry of domestic poultry and recognizes that the basic requirement for welfare of poultry is a husbandry system appropriate for their physiological needs.

In addition, cognisance needs to be taken of the following five freedoms as accepted internationally to be striven for:

- Freedom from thirst, hunger and malnutrition;
- Freedom from discomfort;
- Freedom from pain, injury and disease;
- Freedom to express normal behaviour;
- Freedom from fear and distress;

The Code considers safe and wholesome food for human consumption to be of the highest priority and therefore fully supports the implementation of applicable measures to comply with the requirements for safe food of poultry origin, as approved by the relevant Health Authorities and Regulations.

Adequate facilities and resources must be available to supply proper housing, the supply of quality feed and water, attendance to sick and injured chickens and all else to ensure the wellbeing of the animals. Financial costs should not be a reason for neglecting of chickens that are obviously in distress or for failing to secure prompt and appropriate medical treatment or other care which may be necessary.

The Code emphasizes that, whatever the form of husbandry, managers, employees and others responsible for the day to day needs of the stock have a responsibility to care for the birds under their control. The importance of good stockmanship in animal welfare cannot be over-emphasized. Persons responsible for the care of poultry should be well trained, experienced and dedicated. Staff should be encouraged to undertake appropriate training in poultry management and husbandry. Knowledge of the normal appearance and behaviour of the birds under their control is essential for the stock to be treated effectively and efficiently and with consideration.

Assistance in the establishment of poultry farms and production facilities and on the management of poultry should be obtained from qualified advisers with experience in private or government employment. Veterinary advice should also be sought when birds are in ill-health.

The Code is based on practical and scientific knowledge and technology in poultry production available at the time of publication but does not replace the need for experience and common-sense in the husbandry of domestic poultry.

The Code does not substitute any regulatory requirements and should where applicable, be read and applied in conjunction with all relevant laws, by-laws, regulations and compulsory specifications including the following:

- Animal Improvement Act (Act no 62 of 1998)
- Animal Disease Act (Act no 35 of 1984)
- Animal Protection Act (Act no 71 of 1962)
- Meat Safety Act (Act no 40 of 2000)
- Agriculture Products Standards Act (Act 119 of 1990)
- Foodstuffs, Cosmetic and Disinfectant Act (Act 54 of 1972)
- National Health Act (Act 62 of 2003)
- Occupational and Safety Act (Act 85 of 1993)
- Fertilizer, Farm Feeds, Agriculture Remedies and Stock Remedies Act (Act 36 of 19947)
- GMO Act and Regulation (Act 36 of 1983)
- Livestock Brands Act (Act 25 of 1977)
- Sterilization Facility Act (Act 36 of 1947)
- Water Treatment Chemicals for Use in the Food Industry (SANS 1827)
- Cleaning Chemicals for Use in the Food Industry (SANS 1828)
- Disinfections and Detergent – Disinfections for use in the Food Industry (SANS 1853)
- Application of Pesticides in Food-Handling, Food-Processing and Catering Establishments (SANS 10133)
- Food Hygiene Management (SANS 1049)
- Food Safety Management Systems – Requirements for Organizations throughout the Food Chain (ISO 22000)
- Requirement for HACCP Systems (SANS 10330)

2 Definitions

Layer Breeders: - Layer Breeders are breeding stock that have been bred for the purpose of producing hatching eggs from which commercial egg producing chicks will be hatched.

Broiler Breeders: - Broiler Breeders are breeding stock that have been bred for the purpose of producing hatching eggs from which broiler chicks will be hatched.

Commercial Layers: - Commercial Layers are birds that are kept specifically for the production of eggs intended for human consumption.

Broilers: - Broilers are poultry stock that are reared specifically for the purpose of slaughter intended for human consumption.

Commercial Pullets: - Commercial Pullets are poultry stock that are reared specifically for the production of eggs intended for human consumption.

Cage System: - Birds in Cage Systems are continuously housed in specially designed cages within a shed in which birds have free access to feed and water.

Enriched Cage System: - Birds in Enriched Cage Systems are continuously housed in specially designed cages within a shed in which birds have free access to feed and water and where the cages include a nest box, a dust bath and perches.

Barn System: - Birds in Barn systems are free to roam within the confines of a shed which may have more than one level. The floor may be covered entirely with litter or partially and the rest of the floor area incorporating other material such as slats or wire mesh.

Free Range System: - Birds in Free Range System are free to roam within the confines of a shed which may have more than one level. The floor may be covered entirely with litter or partially and the rest of the floor area incorporating other material such as slats or wire mesh and the birds must have access to an outdoor range. Free range birds should never have been confined to cage production systems.

Day Old Chick: - A day old chick is a newly hatched chick intended to be reared for layer or broiler breeding purposes, as a broiler or as a point of lay pullet.

Hatchery: - A chick hatchery is a specially designed operation equipped with machines and equipment to incubate eggs produced by breeder farms and thereby produce day old chicks.

End of Lay Birds: - End of lay birds (also commonly referred to as spent hens) are birds from breeder farms and commercial layer farms that have completed their production cycle.

Cull birds: - Cull birds are birds that are unproductive or injured birds that are removed from the flock on a regular basis as and when they are detected and disposed of in a humane manner.

Brooding: - Brooding refers to special management of day old chicks in the period when additional heating has to be provided until the chicks are fully feathered and are capable of maintaining body temperature.

3 Poultry Housing, Stocking Densities and Product Identification

This section covers the various systems used in keeping poultry in the production of hatching eggs, commercial eggs for human consumption and the rearing of chickens for the purpose of slaughter and processing for human consumption.

Whatever the system being used, poultry housing shall be designed to provide chickens with a safe environment. The chicken house must be so constructed that it provides for the welfare needs of the birds, whilst simultaneously providing protection from inclement weather conditions and both physical and thermal discomfort.

Poultry producers should be aware of the responsibility to farm with disease free birds since the products produced should at all times be fit for human consumption. An effective program should be in place to prevent infectious and vertically transmittable diseases being transmitted within the poultry production chain and especially diseases and pathogens which could affect consumers of eggs, egg products and poultry meat.

Chicken house flooring shall allow for effective cleaning and disinfection, preventing significant buildup of parasites and other pathogens. The floor should be concrete that is well maintained.

Staff shall be able to understand and accept responsibility to prevent unnecessary suffering of birds in their care. Operators shall be satisfied that staff responsible for birds have the skills necessary to perform any required procedure without causing suffering.

The stocking density, feed and drinker space as well as nesting space guidelines where applicable for the various production systems commonly applied in the poultry industry are presented below.

3.1 Breeder Housing Systems

This section covers the systems used in the production of hatching eggs intended for the production of day old chicks.

3.1.1 Breeding Stock kept in Barn Systems

The stocking density and space guidelines for layer and broiler breeders kept in barn systems are set out in Appendix 1 below.

3.1.2 Breeding Stock kept in Cage Systems

The stocking density and space guidelines for layer and broiler breeders kept in cage systems are set out in Appendix 2 below.

3.2 Pullet Rearing and Egg Production Systems

This section covers the systems used in rearing commercial pullets from day old till point of lay for the production of commercial eggs and egg products. It covers the systems for keeping birds in conventional cages, enriched cages as well as free range and barn systems for the production of eggs for domestic consumption as well as the use in the production of egg products.

Producers are to be aware that eggs are marketed under the Agricultural Product Standard Act, 1990 (Act No 119 of 1990) and that under this act the regulations regarding the grading, packing and marketing of eggs destined for sale in the republic of South Africa need to be adhered to.

3.2.1 Commercial Pullets reared in Cage Systems

The stocking density and space guidelines for commercial pullets being reared in cage systems is set out in Appendix 3 attached below.

3.2.2 Commercial Pullets reared in Barn Systems

The stocking density and space guidelines for commercial pullets being reared in barn systems is set out in Appendix 4 attached below.

3.2.3 Commercial Layers kept in Cage Systems

The stocking density and space guidelines for commercial layers being kept in cage systems is set out in Appendix 5 attached below.

3.2.4 Commercial Layers kept in Enriched Cage Systems

The stocking density and space guidelines for commercial layers being kept in enriched cage systems is set out in Appendix 6 attached below.

3.2.5 Commercial Layers kept in Barn Systems

The stocking density and space guidelines for commercial layers being kept in barn systems is set out in Appendix 7 attached below.

3.2.6 Commercial Layers kept in Free Range Systems

The stocking density and space guidelines for commercial layers being kept free range systems is set out in Appendix 8 attached below.

3.3 Broiler Production Systems

This section covers the systems used in the production of broilers from day old until the age of slaughter.

3.3.1 Broilers reared in Barn Systems

The stocking density and space guidelines for broilers being reared in barn systems is set out in Appendix 9 attached below.

3.3.2 Broilers reared in Free Range Systems

The stocking density and space guidelines for broilers being reared in free range systems is set out in Appendix 10 attached below.

3.3.3 Broilers reared in Cage Systems

The stocking density and space guidelines for broilers being reared in cage systems is set out in Appendix 11 attached below.

4 Management Practices

4.1 Preparation of Housing Facilities

Attention should be paid to thorough cleaning of the building following depopulation and should include complete removal and disposal of manure and litter from the poultry building and surrounding area.

Following cleaning and disinfection of the building (including all equipment contained within the building) a sanitary break will assist in avoiding any carry-over of disease to the next flock. A minimum break of 7 days after cleaning and disinfecting of the facilities is completed and placement of the next flock is recommended.

Preparation of the building and equipment for the next batch of chickens should always be complete and all equipment fully maintained and operational in time to receive the next group of birds.

4.2 Receiving of Stock

The building should have been prepared in accordance with above before placement of stock.

The equipment should be operational and in the case of placement of day old chicks, the building should have been pre-warmed to the required temperature.

Optimum temperature varies with age as well as for different species and breeds and the operators and staff who care for the birds should be aware of the specific requirement for the stock under their control.

The stock shall be removed carefully from the transport containers and placed into the appropriate areas and or cages. Older birds should be handled by supporting them under the body or grabbing by both legs. This is of special importance in the case of heavy breed birds and males. Adult birds shall not be carried by more than three birds in one hand and shall be carried by holding both legs.

Stock that may have been injured during the transport must be placed in a separate area to recover, or if impractical or recovery is unlikely, must be humanely killed by any of the procedures mentioned under the heading Euthanasia and Disposal of Stock.

The appropriate number of birds shall be placed to comply with the density guides above under the heading Poultry Housing and Stocking Densities.

4.3 Feed Management

Birds should have access to fresh feed at all times and only under specific circumstances where controlled feeding needs to be applied, such as in rearing and keeping of broiler breeding stock, should feed be withheld for any length of time.

The feed must contain adequate nutrients to meet the daily requirement for good health and vitality and in sufficient quantity to enable an increase in body weight gain and production which is in accordance with the breed specifications.

Where controlled feeding practices are applied in order to maintain satisfactory production efficiencies and control of body weight in heavy breeds, sufficient feed space as prescribed by the breeder or at least in accordance with the guides set out in the appropriate Appendix should be allowed for all birds to feed simultaneously. Care should be taken that feed is distributed to all parts of the feeder system within a

time period of 3 minutes. In order to maintain good health and productivity during rearing, "skip-a-day" feeding of broiler breeder birds is an accepted industry practice.

Feed should preferably be stored in closed containers and not allow access to vermin and wild birds.

4.4 Water Management

Birds should have access to sufficient potable water to meet their physiological requirements.

Birds shall not be deprived of water except for necessary management of vaccine application and therapeutic purposes.

In hot weather conditions the water should be below a temperature at which birds refuse to drink.

The water should be regularly tested for chemical content as well as microbial contamination.

4.5 Environmental Temperature and Ventilation

Subject to housing insulation, breed and seasonal variations, supplementary heat at gradual decreasing levels is to be applied in the rearing of chicks until no longer required. This is generally referred to as the brooding period.

Bird behaviour is the best indicator of bird comfort.

As birds mature and become fully feathered, they can withstand and adapt to wider temperature fluctuation in maintaining body temperature. Where extreme high temperatures are experienced, especially under climatic conditions of high humidity, procedures such as increased ventilation and air flow over birds, evaporative cooling equipment, reduced stocking density and supply of cool water, should be considered to deal with such extremes.

Low temperature conditions should not be overcome at the expense of minimum rates of ventilation.

Recognizing the extremes possibilities of weather conditions, house conditions within temperature range of 15°C to 33°C and maximum relative humidity of 80% should be aimed at for fully feathered birds.

It is advisable to have a temperature alarm system installed to warn operators of high and low temperature conditions for corrective action to be taken.

It is advisable to record daily maximum and minimum house temperature levels.

A minimum rate of ventilation is required at all times to provide fresh air and to remove moisture and other metabolic gases from the building. This minimum rate of ventilation would be dependent on the biomass in the building and the operator shall be aware thereof. In rearing of birds the minimum ventilation rate required therefore needs regular adjustment as the birds grow and increase in body weight.

With forced ventilation systems, the operator shall be fully trained in how to set up and control the ventilation system. With open-sided buildings the operator shall be fully trained in how to set the curtains and ventilation control under varying climatic conditions or age of the stock.

Carbon dioxide levels should be kept below 3000 ppm (3%).

The presence of ammonia is usually a reliable indicator of build-up of noxious gasses. A level of 10 to 15 ppm of ammonia can be detected by smell and once this level is reached, corrective action should be taken.

Mechanical ventilated buildings should have a back-up power supply or alternative emergency ventilation systems linked to an alarm system to warn operators of power failure.

4.6 Light Control

Various light programs and light intensity are prescribed by suppliers of breeding stock and the operator shall be aware of the appropriate program to be applied.

In breeders and commercial layers, the light programs are used to control sexual maturity and in so doing ensure that the age at which production commences is in accordance with the breed standard.

Notwithstanding, the total light period of less than 8 hours during rearing of breeder and commercial layer birds should be discouraged.

For broiler rearing, various rearing light programs are prescribed by suppliers of breeding stock in order to control body weight gain within acceptable limits. Total light period of less than 12 hours during rearing of broiler chicks should be discouraged.

Notwithstanding the above, the total light period (artificial plus natural light in open sided houses) shall not exceed 20 hours in the 24-hour day once chicks have learnt to find the feed and drinkers.

In closed buildings chicks that are reared for egg production would normally be started at higher light intensity (around 20 lux) for the first week or two in order to learn to find the feed and drinker systems. Thereafter the light intensity would be reduced depending on the housing conditions and breed to keep the birds calm. When production is about to commence, the light intensity would be increased again.

Whatever is applied, the light intensity should be adequate to allow for birds to feed normally and allow for thorough inspection of the flock.

4.7 Egg Collection

4.7.1 Collection of Hatching Eggs

Eggs produced by breeding stock contain live embryos and should be handled accordingly.

Eggs should be collected regularly from the nests (at least 2 times per day) and placed in clean and dry handling equipment.

Nest material should be kept clean and dry and adequate in quantity.

Hatching eggs are to be handled gently.

Dirty, broken, cracked leaking and any other abnormal eggs should be collected in separate equipment and should not be used for hatching purposes.

It is advisable not to use floor eggs for hatching purposes.

Hatching eggs should be sanitized as soon as possible after collection by an appropriate method prescribed by a veterinarian or knowledgeable person.

Clean sanitized hatching eggs should be stored in suitably constructed cool rooms that will ensure that the air temperature remains below the embryonic threshold temperature of 24°C.

4.7.2 Collection of Eggs for Human Consumption

Eggs produced by all the production systems are intended to be used for human consumption and should be handled accordingly.

Eggs should be collected regularly from the system (at least once per day) and placed in clean and dry handling equipment.

In the case of cage systems, the cage floors and the egg handling system should be kept clean.

In Free Range and Barn systems the nest boxes and nest material should be kept clean.

Eggs are to be handled gently so as to avoid fine cracks.

Dirty, broken, cracked leaking and any other abnormal eggs should be collected in separate equipment and should not be used for human consumption.

Eggs should be stored in appropriate holding rooms in which temperature fluctuation is kept to the minimum.

Egg producers are specifically referred to the fact that eggs are marketed under the Agricultural Product Standard Act, 1990 (Act No 119 of 1990) and that under this act the regulations regarding the grading, packing and marketing of eggs destined for sale in the republic of South Africa need to be adhered to. See Appendix 12 for further detail.

5 Stock Supervision

Supervision and care of the stock should only be performed by adequately trained staff.

Although the frequency and level of inspection should be in accordance with the welfare risk of the birds, a thorough inspection should occur at least twice per day for every flock.

Inspection frequency should be increased during periods of adverse conditions such as high or low temperature or ill health.

During such checks, particular attention should be given to bird comfort and proper functioning of all equipment. Any malfunctioning equipment should be attended to and corrected immediately.

In floor systems, any wet litter should be removed immediately and corrective action taken as to the cause of the wet litter. Litter should not be allowed to become caked and hard.

During flock inspections, any sick or injured birds are to be treated promptly or killed humanely by either methods described under the heading Euthanasia of Birds and Chicks.

Dead chickens are to be removed daily and disposed of in an appropriate manner.

Flock supervision should include periodic checks for the presence of internal and external parasites. Should such parasites be detected, corrective treatment must be administered immediately.

Live chickens with clinical signs of disease or flocks with abnormal high mortality rates shall be handed over to a veterinarian or diagnostic laboratory for diagnosis and recommendations for treatment should be followed immediately. Such birds shall be humanely transported in a container which is appropriate to the needs of the bird.

In the event where administration of a suitable drug for strategic treatment of a disease is necessary, only drugs prescribed by a qualified veterinarian and which are registered in terms of the relevant Acts will be used and the prescribed withdrawal period that may be applicable will be adhered to.

The use of antimicrobials is covered more comprehensively in Appendix 13.

6 Euthanasia of Birds and Chicks

6.1 Disposal of Small Numbers of Birds on the farm

Various methods of disposing of small numbers of birds on the farm during normal stock inspection are considered as being acceptable.

6.1.1 Cervical Dislocation

Cervical dislocation is carried out by applying stretching pressure and bending of the neck and thereby dislocating the spinal column at the junction with the head, resulting in both the separation of the spinal column and the major vessels in the neck. It can be done by hand and is useful when smaller birds are to be culled and disposed of as soon as possible on the farm during the daily procedure of bird inspection. This should only be performed by staff who have been properly trained in the procedure. While cervical dislocation by hand is an effective and humane method of killing poultry, the operator needs to be experienced and competent to ensure that the outcome is humane, reliable and sustainable.

6.1.2 Use of a Burdizzo

The use of a Burdizzo is a mechanical alternative which removes some of the manual skill required by operators and is also useful in instances where farms have to kill and dispose of larger birds such as broiler breeder males. While cervical dislocation using a Burdizzo is an effective and humane method of killing poultry, the operator needs to be trained and experienced to ensure that the outcome is humane, reliable and sustainable.

6.1.3 Use of a Captive Bolt

Birds can also be killed by use of a Captive Bolt, but it must be noted that injuries may be possible, so training should be provided. The principle behind the use of captive bolt stunning is a forceful strike on the skull using a bolt which usually penetrates into the brain cavity and induces unconsciousness. Captive Bolt guns designed specifically for use in the ostrich industry are commercially available. Captive Bolt is a useful alternative recommended in culling and euthanizing small numbers of large birds such as broiler breeder males during normal daily routine inspection of the flock.

6.1.4 Stunning followed by Cervical Dislocation or Severing of the Arteries

Although neck dislocation without prior stunning is an approved method of killing poultry under the South African Poultry Association Code of Practice, stunning of the bird prior to cervical dislocation may be considered by some welfare protagonists as being more humane. Stunning by use of small electric stunner boxes must induce immediate unconsciousness without causing pain or suffering, which is then followed by the rupture of the carotid arteries during the cervical dislocation procedure or severing of the arteries, thereby interrupting the blood supply to the brain causing a loss of consciousness and rendering the bird insensible to external stimuli.

6.1.5 Gas Killing

The use of small containers or portable containers in which birds are killed by using CO₂ or mixtures of gasses as explained below, could also be considered in the killing and disposing of small numbers of birds on the farm during normal stock inspection.

6.2 Disposal of Non-saleable Chicks and Hatch Debris

Whatever procedure described below is followed in the chick hatchery, the dead chicks and hatch debris should be transported in closed containers to municipal dumps or other storage facilities which would not allow for any contamination of ground water.

Drowning, smothering and thermal exhaustion or any other inhumane methods are not acceptable under any circumstances.

There must be adequate fly control in the storage area where hatch debris is kept during the hatching process.

6.2.1 Gassing

Gassing of chicks with CO₂ or a mixture of CO₂ and Argon gas is accepted in the process of disposal of non-saleable chicks. Containers or chambers must be designed to allow continual refilling of gas to maintain the correct levels of the gas.

Chicks disposed of through this method must be placed in a container prefilled with gas and in such a way so as to ensure good exposure to the gas and prevent suffocation.

Chicks must be exposed to the gas for a long enough period so as to cause death. Research has shown that chickens become unconscious very quickly in high concentrations of CO₂.

All un-hatched chicks must be dead before disposal.

6.2.2 Maceration

High speed maceration of chicks using properly designed macerators is a practical and accepted method of euthanasia and the disposal of non-saleable chicks as well as live embryos and unhatched chicks that are still within the egg at the time of removing the rest of the chicks from the chick trays. This system is practical and if done by machines that have been specially designed and properly maintained, chicks are killed instantaneously. It does however remain aesthetically displeasing to some.

This procedure should be carried out as soon as is practically possible after removal of the chicks from the hatcher machine so as to avoid undue suffering of the chicks that are still within the egg shell.

6.3 Mass Euthanasia in the case of a Disease Outbreak

The logistics of disposing of a large number of birds that may require to be undertaken during a disease outbreak require careful consideration. A variety of factors need to be considered including the technical and operational advantages and disadvantage of the procedure that is to be followed, the resources available and required expertise, personal and emotive reasons, contracted agreements and options, locality of the farm and the disposal of the dead birds. Authorities such as state veterinarians and welfare representatives would also be involved.

Whatever the method used, it must cause rapid death or rapid loss of consciousness lasting until death or, if loss of consciousness occurs more slowly, it must be induced in a manner that does not cause pain or panic. Methods which are considered acceptable for euthanasia and on-farm depopulation when properly applied include: -

- Cervical dislocation
- Captive Bolt
- Gassing of birds placed in containers filled with CO₂ gas or mixtures of CO₂ and Argon gas.
- Use of Gas-filled High Expansion Foam

Whatever the procedure used, birds must be confirmed to be dead prior to disposal. Any birds found to be still alive must be rapidly euthanized in an acceptable manner.

This Code cannot be considered as being prescriptive and procedures that are to be followed when disposing of large numbers of birds will have to be considered on a case by case basis, depending on the resources and manpower available.

Cervical dislocation or the use of a captive bolt as explained above are agreed methods of disposing of small numbers of birds and depending on the size of the operation could be considered when having to dispose of larger number of birds during a disease outbreak. They are however not practical when very large numbers of birds need to be disposed of. The procedure should only be performed by individuals who have been properly trained. While cervical dislocation by hand or use of a captive bolt are effective and humane methods of killing poultry, the operator needs to be experienced and competent to ensure that the outcome is humane, reliable and sustainable.

Gassing of birds in containers filled with CO₂ gas or mixtures of CO₂ and Argon gas as well as the use of gas-filled high expansion foam to euthanize large numbers of birds in the poultry shed are acceptable for poultry infected with a potentially zoonotic disease; or that are experiencing an outbreak of a rapidly spreading infectious disease that, in the opinion of state, cannot be contained by conventional or currently accepted means of depopulation; or that are housed in structurally unsound buildings that would be hazardous for human entry, such as those that may result from a natural disaster.

Sealing of a building and switching off the ventilation system so as to allow birds to suffocate is not accepted as being a humane method of disposing of birds.

Whole house gassing of birds as well as constructing a tent within the building have been done in other countries, but have proven to have limited success in that it is often difficult to effectively get the building or tent area sufficiently sealed and gas-tight and larger quantities of gas is required to get the area up to sufficiently high levels of gas.

Water-based foam, as well as other foam types, has been used for submerging the birds in the poultry sheds in the United States, Australia and other countries during avian influenza outbreaks. An advantage of this procedure is that birds that are being reared on the floor, need not be caught and handled since the application of the foam is done in the poultry shed. The procedure cannot be performed in cage systems. The effectiveness of this method depends on proper consistency and bubble size of the foam. The addition of CO₂ or N₂ is often advised to fill foam bubbles and thereby enhance the efficacy of the procedure and reports from Australia would indicate that compressed air, aerated foam nozzles and modified high expansion foam generator system have been used successfully.

Guidelines to be considered for euthanasia and on-farm depopulation of entire flocks would include:

- All workers involved in euthanasia and on-farm depopulation must receive training to carry out the method to be used in a skillful, safe, and compassionate manner in accord with these guidelines.
- Methods must cause rapid death or rapid loss of consciousness lasting until death.
- Birds must be confirmed to be dead prior to disposal. Any individual birds found to be still alive must be rapidly euthanized in an acceptable manner such as cervical dislocation.

When using atmosphere killing by using bins or any larger container or receptacle into which gas is introduced to kill birds, the following additional points should be observed:

- The container should be moved into close proximity to the birds, and birds should be placed directly into the container with as little stress as possible.
- The system must be designed to ensure that all birds are exposed to sufficient quantity of vaporized gas to rapidly induce and maintain unconsciousness until death.
- To render birds rapidly unconscious, the container should be pre-charged with gas prior to introducing birds. Because the gas would tend to escape when birds are introduced the containers should be designed and equipped to enable the addition of gas when required during and after loading as needed to ensure that the birds do not revive.
- Use of containers to kill birds without adding an adequate amount of gas that causes death is unacceptable.
- The gas should be added to the container slowly to ensure correct levels the gas. The gas should be introduced in such a manner that it is evenly distributed throughout the container.
- The process should include continual observations to determine the effectiveness of the system. For this purpose, the container should include windows or transparent doors constructed of material that enables visual monitoring of bird movement inside without having to open the container.
- Where containers are of a nature that requires constant vertical filling, the birds inside the container must be unconscious before introducing any additional birds on top of them.
- After the last birds have been placed in the container and sufficient gas has been added to kill the birds, the container should be left closed for a sufficient period of time to ensure that all birds are dead. Birds must be confirmed to be dead before removal from the container.
- Producers must document the amount of gas used and the number of birds killed for each house that is depopulated.

7 Live Bird Sales

The disposal of end of lay birds as well as selling of live broilers is covered more comprehensively in Appendix 14, Live Bird Sales Code of Conduct.

Of particular note for producers involved in the breeder farms is to conduct live bird sales away from the breeder farm, especially in the case of multi-aged operations and not allow live bird buyers onto or close to the farming operations. The same considerations apply to any birds that are culled mid cycle.

8 Special Management Practices

8.1 Beak Treatment

The practice of professionally performed beak-treatment is internationally recognized as being a humane alternative to the appalling effects of cannibalism and feather pecking which is associated with intensive poultry production systems be they cage or any of the alternate systems being used. The continuing need for beak-treatment is being constantly reassessed and it is accepted that as soon as alternate means of preventing cannibalism have been identified, the phasing out of this practice will be a welcome development.

On breeder farms the potential damage to females during mating also requires beak-treatment of males to be applied.

When beak-treatment is to be applied, it should be by any one of the following two methods:

- Day old Laser Treatment performed in the hatchery by the technique of using specialized Laser Treatment machines which results in the cauterization of the tip of the beak.
- Use of specialized precision machines utilizing hot blade cutting and cauterization of the tip of the beak not later than the age of 10 days.

Only under exceptional circumstances and then also only under the guidance of a Veterinarian should beak trimming be performed at an age older than 10 days.

Beak trimming must be performed only by trained operators who are completely competent in the procedures and the use of the appropriate equipment that has been properly maintained.

8.2 Moulting of Layer and Breeding Stock

Methods of moult inducement which deprive birds of water for more than 24 hours or feed for more than 48 hours shall not be allowed.

The use of high fibre diets is acceptable provided that birds consume at least 40 to 60 g per day.

Induced moulting shall only be carried out on healthy birds under close management supervision and conditions that will not cause undue stress.

Moulting shall not be artificially induced in any Free Range or Barn production.

8.3 Artificial Insemination

Artificial insemination is a highly skilled procedure and should be carried out only by competent, trained personnel maintaining a high standard of hygiene and taking care to avoid injury or unnecessary disturbance of birds.

9 Transportation of Broilers, Pullets and End of Lay Birds

The driver of the vehicle transporting poultry shall be a responsible person with a valid and appropriate driver's license and trained in the transporting of livestock.

The drivers of vehicles used for transporting livestock shall be trained in the transporting of livestock and shall have telephone numbers of the owners of the animals and emergency telephone numbers at all times during a journey.

Drivers shall at all times be able to perform their duties in an expert and responsible manner.

Drivers shall not handle a vehicle in a manner that might cause the transported animals to slip, fall or suffer injury. The safety and welfare of the animals shall never be ignored or disregarded.

Chickens shall be transported in roadworthy vehicles.

Stops in-route shall only be made when absolutely necessary. When stops are made in hot weather, the vehicle must be parked in the shade where possible or for very short periods when in the sun.

In the case of a truck breakdown without a standby facility causing a subsequent rise in temperature in the load space, the load shall be off-loaded if the system permits or at least spaced to accommodate the circumstances where possible.

Vehicles used for the transportation of live poultry over long distances must be constructed to protect the poultry against adverse weather conditions during transportation.

The chickens should be loaded into clean standardized transporting crates.

All the containers should have a lid or door that can be secured to prevent the chickens from escaping.

Birds should be caught individually and handled by both legs or fully support of the body. Not more than 4 birds per hand may be carried per person at any one time. In the case of larger birds such as breeders and adult hens not more than three birds per hand may be carried per person. At all times, both legs are to be held in the hand.

The containers should prevent protrusion of the head, wings and legs. The number of chickens per crate should correspond to the floor space and body size of the transported chickens, with due regard to environmental conditions and duration of transport. The maximum density should not exceed 70kg body mass per square meter.

The journey should not exceed 24 hours.

Portable transporting crates with live chickens should preferably be moved in a horizontal position. Crates or birds should not be thrown or dropped.

A tie-down device preventing containers from overturning is advisable.

All the containers should have a lid or door that can be secured to prevent the chickens from escaping.

The containers should prevent protrusion of the head, wings and legs.

The number of chickens per crate should correspond to the floor space and body size of the transported chickens, with due regard to environmental conditions and duration of transport. The maximum density should not exceed 55kg body mass per square meter.

10 Health Control

10.1 The Establishment and Biosecurity

Strick biosecurity measures are important in all levels of poultry production but should receive special attention in the case of breeder operations whereby the following basic rules should be applied:

- Breeder facilities should preferably be well separated and isolated from other poultry farms.
- Breeder facilities should preferably be single purpose entities and ideally operated on an all-in, all-out replacement basis with single age groups.
- The establishment should be fenced off by at least a stock fence and no grazing animals allowed within the perimeters of such fence.
- The area immediately surrounding the poultry houses should be free of vegetation and debris and if grass is grown between buildings, it should be kept short.
- For establishments importing breeding material into South Africa, the quarantine site regulations and rules as prescribed in the Animal Diseases Act shall apply.
- Appropriate security measures for all staff and visitors entering the premises, which include showering and changing of clothes must be adopted.
- Buildings housing breeding stock should be free of vermin and not accessible to wild birds.
- Vermin and wild birds should not have access to feed storage.
- Stores where hatching eggs are kept should be free of vermin and wild birds.
- Domestic animals should not be allowed access to the fenced area.
- Biosecurity on breeder operations is of the utmost importance to ensure healthy flocks perform according to the required standards and to prevent transmission of diseases to the progeny. A biosecurity plan as compiled by a veterinarian with experience in poultry must be in place.
- People movement is one of the main means of transmitting disease between flocks or farms. There are different aspects of biosecurity relating to people movement in poultry operations including physical biosecurity and procedural biosecurity. Appendix 15 sets out a general practice to be followed.

10.2 Flock Health

Management should have ready access to a veterinarian with poultry experience. This veterinarian shall be responsible for compiling and supervision of a health plan for the operation.

The environment provided must be conducive to good flock health as well as providing the necessary protection from pain, injury and disease.

Operators responsible for the care and wellbeing of poultry should be aware of the signs of ill-health or distress and corrective action implemented immediately.

Where causes of ill-health or distress cannot be identified professional advice from veterinarians or other trained and qualified advisers should be sought.

All medication should be prescribed by a qualified veterinarian and such medication should be applied strictly in accordance with manufacturer's instruction unless otherwise advised by the veterinarian concerned.

The use of antimicrobials is covered more comprehensively in Appendix 13.

Birds with an incurable disease or disorder which is causing suffering shall be removed from the flock and killed humanely by a competent person properly trained to do so.

10.3 Records

Vaccination, health and any laboratory records shall be kept for all breeder flocks.

Such records shall be kept for inspection for a period of at least 3 years.

10.4 Vaccination

Producers involved in the production of parent stock should operate an effective vaccination program as advised by a veterinarian with poultry experience.

Vaccinations and other treatments applied should only be undertaken by properly trained and skilled staff.

10.5 Disease Monitoring and Testing

Serological testing of flocks under quarantine is controlled under the rules as prescribed under the Animal Diseases Act.

Acceptable control measures and serological tests must prevail in all flocks producing hatching eggs to assist in the prevention of vertical (transovarial) transmission of the following diseases: -

Mycoplasma gallisepticum

Mycoplasma synoviae

Salmonella Pullorum, *S. Gallinarum*, *S. Enteritides* and *S. Typhimurium*.

Avian Influenza

Leucosis

Avian *encephalomyelitis*

Egg Drop Syndrome

Newcastle disease

For serological tests a representative sample is deemed to be at least:

16 samples from a house with up to 5000 chickens, or

32 samples from a house with over 5000 chickens

As soon as a change in the health status of the farm has become apparent, the customer of the hatching eggs must be notified.

10.6 Parasite and Vermin Control

Breeder birds kept on litter floor systems are prone to internal parasite infection. Appropriate control measures as advised by a veterinarian should be in place to combat such infestation.

Effective control of coccidiosis is possible by including suitable medication via the feed or vaccinating the flock at a young age.

Birds should be constantly monitored for other internal parasites such as worms and corrective treatment measures taken as prescribed by a veterinarian.

A well-planned vermin control program should be in place taking in account particular circumstances of the operation.

A fly control program should be in place.

The cleaning and disinfection program followed at the end of the cycle should incorporate the application of an insecticide to control litter beetle infestation.

11 Day Old Chick Hatcheries

This section covers the process of incubation of fertile hatching eggs to produce day old chicks within the production chain of commercial poultry and poultry products.

Poultry producers involved in the production of day old chicks should be aware of the responsibility to produce disease free chicks. An effective program should be in place to prevent infectious and vertically transmissible diseases being transmitted within the poultry production chain.

Staff shall be able to understand and accept responsibility to prevent unnecessary suffering of chick embryos and live chicks. Hatchery operators shall be satisfied that staff responsible for handling eggs and live chicks have the skills necessary to perform any required procedure without causing suffering.

11.1 Hatchery Buildings

11.1.1 Location of hatcheries

The choice of a suitable isolated geographical location will facilitate hygiene and disease control and the hatchery building should therefore be preferably located as far away as possible from other poultry and livestock.

The hatchery building should be fenced off or constructed in such a way to facilitate control of traffic and access to the facilities.

Wild birds, domestic and other animals must be excluded from the hatchery area.

11.1.2 Building design

The hatchery should be designed to enable suitable workflow and air circulation principles.

The work flow of the incubation process should preferably be in one direction from hatching egg receiving and storage to dispatching of chicks and disposal of hatchery debris.

Flow of air through the hatchery should also preferably be in this direction.

Wash water drains should also divert wash water in this direction.

The building should include physical separation of the main work areas comprising egg receiving and storage, incubation rooms, chick hatching rooms, chick handling rooms and hatchery debris disposal area.

The materials used in constructing the building should be smooth and easily cleaned to facilitate hygiene control and disinfection.

11.2 Egg Quality and Hatching Egg Storage

The hatchery should source hatching eggs only from reputable breeder farms of which the disease status of the birds is known and documented.

Dirty, broken, cracked leaking and any other abnormal eggs should not be used for hatching purposes.

It is advisable not to use floor eggs for hatching purposes.

Only clean, sanitized hatching eggs received in a clean and suitable handling system and that have been properly stored at temperatures below the embryonic threshold temperature of 24°C should be used.

Hatching eggs should preferably be handled as little as possible and when handled this should be gentle.

Personnel handling hatching eggs should wash their hands with soap and water before handling eggs or use an appropriate hand disinfectant such as alcohol gel.

11.2.1 Egg Quality

Hatching eggs should be sanitized by a suitable method as prescribed by a veterinarian with poultry experience.

Staff should be skilled in the application of the procedures prescribed by the veterinarian.

11.2.2 Handling of Hatching Eggs

Eggs produced by breeding stock contain live embryos and should be handled accordingly.

Eggs should be collected regularly from the nests (at least 2 times per day) and placed in clean and dry handling equipment.

Nest material should be kept clean and dry and adequate in quantity.

Hatching eggs are to be handled gently.

Dirty, broken, cracked leaking and any other abnormal eggs should be collected in separate equipment and should not be used for hatching purposes.

It is advisable not to use floor eggs for hatching purposes.

Hatching eggs should be sanitized as soon as possible after collection by an appropriate method prescribed by a veterinarian or knowledgeable person.

Clean sanitized hatching eggs should be stored in suitably constructed cool rooms that will ensure that the air temperature remains below the embryonic threshold temperature of 24°C.

11.3 Hatchery Hygiene and Chick Health

11.3.1 Chick Health

Chicks should only be incubated from eggs sourced from reputable breeder farms of which the disease status of the birds is known and documented by a veterinarian or accredited laboratory.

Acceptable control measures must prevail to assist in the prevention of vertical (transovarial) transmission of the following diseases: -

Mycoplasma gallisepticum

Mycoplasma synoviae

Salmonella Pullorum, *S. Gallinarum*, *S. Enteritides* and *S. Typhimurium*.

Avian Influenza

Leucosis

Avian *encephalomyelitis*

Egg Drop Syndrome

Newcastle disease

In addition, chick hatcheries shall do regular tests for Salmonella.

As soon as a change in the health status of the chicks has become apparent, the customer of the chicks must be notified

11.3.2 The Hatchery Building and Hygiene

The hatchery should have a comprehensive cleaning, disinfection and hygiene monitoring system in place as advised by a competent veterinarian or knowledgeable person.

All staff involved in the incubation processes should be aware of and fully skilled in the application of the hygiene program as may apply to their respective areas of responsibility.

Corrective action should be taken immediately should the monitoring process indicate any deviation from the standard.

11.3.3 Staff and Visitors

Clean overalls, hair cover nets (or other suitable headgear) and footwear should be provided for all personnel and visitors entering the hatchery.

A disinfectant foot-bath at strategic points within the hatchery as advised by a veterinarian or knowledgeable person will assist in combating the possible transfer of bacteria from one section to another within the building.

Frequent washing of hands in a disinfectant solution or the use of alcohol gel should be encouraged.

During chick take-off, especially staff movement from the hatching section to the egg rooms and setter section should be discouraged.

11.4 Handling of Chicks

11.4.1 Chick Take-off

Every person working in the hatchery shall be able to understand and accept responsibility to prevent any unnecessary suffering of chicks.

Hatchery operators shall be satisfied that staff responsible for handling live chicks have the skills that are necessary to perform any required procedure without causing suffering to the chicks.

During take-off, hatching trays with chicks shall be handled in the horizontal position only and chicks removed from the hatching tray as gently as possible without excessive jarring of trolleys and handling systems.

Staff handling chicks should wash and disinfectant their hands before commencing work as well as frequently as is practically possible between different batches of chicks.

Any cull chicks should be removed as soon as possible and humanely disposed of by neck dislocation, gassing by utilizing suitable bottled gas such as carbon dioxide or maceration.

During the chick take-off process the body temperature of the chicks should not be allowed to drop unduly.

11.4.2 Chick Sexing

In hatcheries where vent sexing is applied, this should be performed only by skilled and appropriately trained staff.

Feather and colour sexing requires less skill than vent sexing but staff performing such procedures should be adequately trained and competent in performing these tasks as gently as possible.

11.4.3 Chick Holding

Only first grade chicks with no deformities or other abnormality are to be boxed into clean containers specifically designed for the transport of chicks.

Chicks with any sign of abnormality are to be disposed of in an appropriate manner as soon as possible after hatching and selection as described elsewhere in this Code.

Rooms in which chicks are to be held before dispatch should be adequately ventilated and temperature controlled to ensure that chicks remain comfortable.

Chicks should be dispatched as soon as possible to ensure that they receive food and water within 48 hours of hatching.

11.5 Morphological Alteration of Chicks

11.5.1 Dubbing

Dubbing of male chicks should only be done when advised to be necessary by a veterinarian or the supplier of the applicable genetic stock.

Should this practice be deemed necessary it must only be carried out by a skilled person who is competent and trained in this procedure.

The procedure should be well documented and underwritten by the veterinarian.

11.5.2 Toe Removal

The removal of the terminal segment of each inward pointing toe of breeding male chicks to avoid damage to the females may be done at the advice of a veterinarian or the supplier of the applicable genetic stock.

Should this practice be deemed necessary it must only be carried out by a skilled person who is competent and trained in this procedure.

The procedure should be well documented and underwritten by the veterinarian

11.5.3 De-Spurring

The cauterizing of the spur of breeding male chicks to avoid damage to females during mating may be performed at the advice of a veterinarian or the supplier of the applicable genetic stock.

Should this practice be deemed necessary it must only be carried out by a skilled person who is competent and trained in this procedure.

The procedure should be well documented and underwritten by the veterinarian

11.6 Disposal of Non-Saleable Chicks and Hatch Debris

The disposal of non-saleable chicks and hatch debris has been described above under the section Euthanasia of Birds and Chicks. Whatever procedure followed, dead chicks and hatch debris should be transported in closed containers to municipal dumps or other storage facilities which would not allow for any contamination of ground water.

Drowning, smothering and thermal exhaustion or any other inhumane methods are not acceptable under any circumstances.

There must be adequate fly control in the storage area where hatch debris is kept.

11.7 Transportation of Chicks

Only healthy and vigorous chicks shall be dispatched in clean containers or boxes specifically designed for handling and transport of day old chicks.

Containers must be stacked in such a manner that free airflow between stacks of containers is not hampered.

As a rule, the chick box/container should allow for 20 cm² per chick but environmental temperature, duration of the journey as well as design of the chick truck shall be considered when determining the density of chicks in the containers.

Containers with live chicks shall not be tilted from more than 20 degrees from horizontal during any stage of loading or unloading.

Containers should always be moved smoothly and never thrown or dropped.

A tie-down device preventing containers from overturning is advisable in the chick truck.

Chick trucks should be designed in such a way that sufficient airflow is achieved to all containers within the truck and that adequate temperature control is achieved for the duration of the delivery.

Vehicles used for the transportation of live chicks over long distances must be constructed to protect the chicks against adverse weather conditions during the entire journey.

The driver of the vehicle transporting chicks shall be a responsible person with a valid and appropriate driver's license and trained in the welfare issues that could affect the chicks during transportation.

The drivers shall have telephone numbers of the owners of the chicks and emergency telephone numbers at all times during a journey.

Drivers shall at all times be able to perform their duties in an expert and responsible manner.

Drivers shall not handle a vehicle in a manner that might cause the chick containers to slip or fall causing suffering. The safety and welfare of the chicks shall never be ignored or disregarded.

Chicks shall be transported in roadworthy vehicles.

Stops in-route shall only be made when absolutely necessary. When stops are made in hot weather, the vehicle must be capable of maintaining sufficient ventilation and temperature within the truck.

In the case of a truck breakdown without a standby facility causing a subsequent rise in temperature in the load space, the load shall be off-loaded if the system permits or at least spaced to accommodate the circumstances where possible.

In the event that day old chicks are transported by air, arrangements need to be made with the carrier to ensure that the chicks are not kept in draughty areas and are transported as quickly as possible.

In the event of international transport, all paperwork including import permits and health certificates need to be in order to prevent unnecessary delays.

Enough space needs to be left between pallets to ensure adequate ventilation. It is unacceptable to leave chicks on the tarmac prior to loading.

11.8 Biosecurity in Chick Hatcheries – People

Biosecurity in chick hatcheries is of the utmost importance to ensure healthy chicks.

People movement and the movement of egg trays and other equipment is one of the main means of transmitting disease between farms and hatcheries. There are different aspects of biosecurity relating to people movement in chick hatcheries including physical biosecurity and procedural biosecurity.

Appendix 15 sets out a general practice to be followed.

12 Appendixes

12.1 Appendix 1

Stocking density, feeder, drinker and nesting space requirement for breeding stock kept in Barn Systems

Space Requirement for Layer Breeder Type Birds

Age (Weeks)	Weight (g)	Hens Per m ²	Feed Trough (cm/hen)	Water Trough (cm/hen)	Nipple Drinkers (Hens/drinker)
0 – 6	500	20	2.5 (1)	1.25 (2)	20
7 – 18	1400	12	3.5 (1)	1.25 (2)	12
Mature	1500 +	7	6.0 (1)	1.25 (2)	8

Space Requirement for Broiler Breeder Type Birds

Age (Weeks)	Weight (g)	Hens Per m ²	Feed Trough (cm/hen)	Water Trough (cm/hen)	Nipple Drinkers (Hens/drinker)
0 – 6	750	20	2.5 (1)	1.25 (2)	20
7 – 14	1600	10	8.0 (1)	1.25 (2)	12
15 to 20	2300	10	10.0 (1)	1.25 (2)	8
Mature	2500 +	6	15.0 (1)	1.25 (2)	8

(1) Linear measure with birds being able to feed from both sides of the trough.

(2) Linear measure with birds being able to drink from both sides of the trough.

Space requirements increase as the birds approach maturity.

The houses shall be designed to provide chickens with a safe environment.

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant build-up of parasites and other pathogens. Where possible the floor should be concrete that is well maintained.

Bedding of suitable quality should cover the entire floor area at a depth of around 5 cm to allow for dilution of faeces.

Round feeders (tube feeders or pans) can replace open troughs and the guide for these types of feeders is 14 to 16 broiler breeders and 20 to 30 layer breeders for the standard 35 cm pan feeder.

Nesting space shall be provided to accommodate hens without them having to crowd. Twenty individual nests shall be provided per 100 hens. For colony nests at least 1 M² of nest box area shall be provided per 100 hens.

Nests should have a floor substrate that encourages nesting behaviour and should be kept clean and dry.

12.2 Appendix 2

Stocking density for breeding stock kept in Cage Systems

When layer type breeders with body weight less than 4.5 kg are housed in cage systems the space allowed per bird shall be not less than 550 cm² per bird when housed in 3 or more birds per cage, 600 cm² per bird when housed in 2 bird cages and 1000 cm² per bird when housed in single bird cages.

When broiler breeder type birds with body weight more than 4.5 kg are housed in colony cage systems the maximum live weight per unit of floor area shall be 46 kg/m².

12.3 Appendix 3

Stocking density, feeder and drinker space requirement for rearing commercial pullets in Cage Systems

Age (Weeks)	Weight (g)	Cm ² per bird	Feed Trough (cm/bird)	Water Nipples (Birds/nipple)
0 – 6	500	150	2.25 (1)	15 (2)
7 – 18	1450	300	4.5 (1)	8 (2)

(1) Linear measure of feed trough with birds being able to from one side of the trough fitted to the cage

(2) Birds must have access to at least two nipple drinkers

Space requirements increase as the birds approach maturity.

Cage height shall permit standing chickens free head movement.

The cage doors shall allow for easy insertion and removal of birds.

Cage floors shall not cause any injury or deformity during the rearing of pullets.

Cage floors shall preferably be covered with temporary supportive flooring such as paper or matting for the chicks during the early brooding period.

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant build-up of parasites and other pathogens. Where possible the floor should be concrete that is well maintained.

12.4 Appendix 4

Stocking density, feeder and drinker space requirement for rearing commercial pullets in Barn Systems

Age (Weeks)	Mass/m ²	Feed Trough (Linear cm/hen)	Water Trough (Linear cm/hen)	Nipple Drinkers (Hens/nipple)
0 – 8	15	2.5 (1)	1.25 (2)	20
8 – Transfer	20	3.5 (1)	1.25 (2)	12

(1) Linear measure with birds being able to feed from both sides of the trough.

(2) Linear measure with birds being able to drink from both sides of the trough.

Transfer must take place before 20 weeks of age.

Space requirements increase as the birds approach maturity.

The houses shall be designed to provide chickens with a safe environment.

Round tube or pan feeders could be used and as a rule 3 feeders of 35 cm diameter would apply for birds up to 18 weeks of age.

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant build-up of parasites and other pathogens. Where possible the floor should be concrete that is well maintained.

Bedding of suitable quality should cover the entire floor area at a depth of around 5 cm to allow for dilution of faeces.

12.5 Appendix 5

Stocking density, feeder and drinker space requirement for Commercial Layers kept in Cage Systems

The cage density shall be as follows in accordance with the year of installation:

- For Cage Systems installed after 1 January 2019 the minimum cage floor area will be 550 cm² per bird in addition the minimum feed space allowed shall be 8.5cm per bird.
- For Cages Systems installed prior to 1 January 2019 the minimum cage floor area will be 450 cm² per bird and this will apply until January 2039.
- As of 1 January 2039, a minimum cage floor area of 550 cm² per bird will apply to all cage system irrespective of the year of installation.
- For cages installed prior to 1 January 2019 the minimum feed trough space shall be 8.5 cm per bird and this will apply until 1 January 2039.
- As of 1 January 2039 the minimum feed space allowed shall be 10 cm per bird irrespective of year of installation.
- As of 1 January 2039, Birds shall have access to at least two drinker points and manufacturer recommendations should be referred to and not be exceeded in this respect.
- The slope of the cage floor in cages installed after 1 January 2019 shall not exceed 8°.

Houses and cages shall be designed to provide chickens with a safe environment.

The cage doors shall allow for easy insertion and removal of birds and be free of protrusions permitting the removal of birds without causing injury. Doors shall not be less than 20cm wide and 20 cm high.

Cage floors shall not cause any injury or deformity to develop.

12.6 Appendix 6

Stocking density, feeder and drinker space requirement for Commercial Layers kept in Enriched Cage Systems

Enriched cages should provide for the following requirements:

- Each laying hen must have:
 - At least 750 cm² of cage space
 - Access to a nest
 - Access to litter
 - Appropriate perches of at least 15 cm
- A feed trough that may be used by the birds without restriction must be provided. Its length must provide for feeder space of at least 12 cm per bird.
- The cages must have an appropriate drinker system
- There must be a minimum aisle width of 90 cm between tiers of cages and a space of at least 35 cm must be provided between the floor and the bottom tier of cages.
- Cages should be fitted with appropriate claw shortening devices.

Houses and Cages shall be designed to provide chickens with a safe environment in which birds can be easily inspected and managed.

Cage height shall permit standing chickens free head movement.

The cage doors shall allow for easy insertion and removal of birds and be free of protrusions permitting the removal of birds without causing injury.

Cage floors shall not cause any injury or deformity.

The cage floor shall allow eggs to roll out freely without getting stuck or damaged

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant buildup of parasites and other pathogens. The floor should be concrete that is well maintained.

Escapee birds should not be placed into cages which already contain the correct number of birds.

12.7 Appendix 7

Stocking density, feeder and drinker space requirement for Commercial Layers kept in Barn Systems

Space Requirement for poultry sheds used for Barn Egg Production will be as follows:

Age (Weeks)	Birds/m ²	Feed Trough (Linear cm/bird)	Pan or Tube Feeder (Birds/feeder)	Water Trough (cm/bird)	Bell Drinker (Birds/drinker)	Water Nipples (Birds/cup or nipple)
Adult	10 (1)	5	40	1.25	100	10

(1) Increase to 12 if sufficient perching of 15 cm per bird is available

The chicken house must be so constructed that it provides for the welfare needs of the birds, whilst simultaneously providing protection from inclement weather conditions and both physical and thermal discomfort.

Whilst concrete floors are desirable, these are not mandatory, provided that whatever flooring is used allows for effective cleansing.

Where open-type housing structures in excess of 6 meters wide are used, provision should be made for ridge openings to facilitate ventilation. Mechanical assistance to natural ventilation (e.g. fans) is an acceptable practice.

Where housing is predominantly enclosed, ventilation by fans with a minimum airflow of 8 cubic meters per hour per adult hen is required.

Litter must be provided on at least 33% of the floor area. Such litter must be of sufficient quality and quantity to allow for the proper dilution of droppings and to allow birds to dust bathe.

Stocking densities must be adequate to accommodate the birds' normal behaviour. A maximum stocking density of 10 adult hens per square meter of available floor space is permitted. Such floor space shall exclude the area occupied by the egg collection/service area and in addition, shall exclude the area occupied by the enclosed portion of nest boxes where effective access to the area directly below is prevented.

In houses with appropriate perching/roosting facilities, stocking densities may be increased to 12 birds per square meter. Such perches must be provided at not less than 15 cm per hen and must incorporate a gap on either side of no less than 1.5 cm in order to allow hens to grip the perches without injury to their claws. For the purposes of interpretation, perches will include the alighting rail immediately in front of nest boxes (if applicable).

Adequate nesting facilities must be provided (egg production only) in order to discourage birds from laying eggs on the floor. Where individual nest boxes are provided, this should not be less than 1 nest per 8 hens. Where communal nests are provided, this should not be less than 1 square meter nest floor per 125 adult hens.

A lighting system for the provision of a minimum period of 9 hours continuous light in each period of 24 hours must be provided. Such light will either be artificial or via access to daylight. A minimum light intensity of 10 lux throughout the house during this time must be maintained. A minimum period of 8 hours continuous darkness per 24-hour cycle must also be provided in order to accommodate the birds' requirement for adequate rest.

If using chain, trough or box feeders, which can be accessed from both sides, then a maximum of one adult hen per 5 cm of feeder length, may be housed. If only one side is accessible, then 10 cm per hen must be provided. If pan or tube feeders are used, a maximum of 40 adult hens per feeder may be housed.

12.8 Appendix 8

Stocking density, feeder and drinker space requirement for Commercial Layers kept in Free Range Systems

Internal Environment

Space Requirement for poultry sheds used for Free Range Egg Production will be as follows:

Age (Weeks)	Birds/m ²	Feed Trough (Linear cm/bird)	Pan or Tube Feeder (Birds/feeder)	Water Trough (cm/bird)	Bell Drinker (Birds/drinker)	Water Nipples (Birds/cup or nipple)
Adult	10 (1)	5	40	1.25	100	10

(1) Increase to 12 if sufficient perching of 15 cm per bird is available

The chicken house must be so constructed that it provides for the welfare needs of the birds, whilst simultaneously providing protection from inclement weather conditions and both physical and thermal discomfort.

Whilst concrete floors are desirable, these are not mandatory, provided that whatever flooring is used allows for effective cleansing.

Where open-type housing structures in excess of 6 meters wide are used, provision should be made for ridge openings to facilitate ventilation. Mechanical assistance to natural ventilation (e.g. fans) is an acceptable practice.

Where housing is predominantly enclosed, ventilation by fans with a minimum airflow of 8 cubic meters per hour per adult hen is required.

Litter must be provided on at least 33% of the floor area. Such litter must be of sufficient quality and quantity to allow for the proper dilution of droppings and to allow birds to dust bathe.

Stocking densities must be adequate to accommodate the birds' normal behaviour. A maximum stocking density of 10 adult hens per square meter of available floor space is permitted. Such floor space shall exclude the area occupied by the egg collection/service area and in addition, shall exclude the area occupied by the enclosed portion of nest boxes where effective access to the area directly below is prevented.

In houses with appropriate perching/roosting facilities, stocking densities may be increased to 12 birds per square meter. Such perches must be provided at not less than 15 cm per hen and must incorporate a gap on either side of no less than 1.5 cm in order to allow hens to grip the perches without injury to their claws. For the purposes of interpretation, perches will include the alighting rail immediately in front of nest boxes (if applicable).

Adequate nesting facilities must be provided (egg production only) in order to discourage birds from laying eggs on the floor. Where individual nest boxes are provided, this should not be less than 1 nest per

8 hens. Where communal nests are provided, this should not be less than 1 square meter nest floor per 125 adult hens.

A lighting system for the provision of a minimum period of 9 hours continuous light in each period of 24 hours must be provided. Such light will either be artificial or via access to daylight. A minimum light intensity of 10 lux throughout the house during this time must be maintained. A minimum period of 8 hours continuous darkness per 24-hour cycle must also be provided in order to accommodate the birds' requirement for adequate rest.

If using chain, trough or box feeders, which can be accessed from both sides, then a maximum of one adult hen per 5 cm of feeder length, may be housed. If only one side is accessible, then 10 cm per hen must be provided. If pan or tube feeders are used, a maximum of 40 adult hens per feeder may be housed.

External Environment

These external environment conditions would apply to Free Range and not Barn Systems

The stocking rate of the external range should not exceed 20000 per hectare. It is recognized that the prevalence of livestock theft is a reality, which restricts the provision of more extensive ranges.

The range must be maintained in a manner that allows for a minimum of 50% living vegetation present at all times. It is acknowledged that certain climatic conditions and locations make it difficult for this vegetation to always be green, but that this should be the objective.

The practice of rotational grazing is a desirable management tool, which allows for the active management of damaged ground, as well as minimizing the risk of a build-up of parasites.

External shade by way of either trees or artificial structures must be provided at the rate of 4 square meters shade per 1 000 birds.

In locations where overhead predators frequently occur, provision must be made for outside cover to reduce stress reactions from such sightings.

Fencing should be adequate to provide protection from indigenous terrestrial predators. Domestic animals such as dogs and cats must not be allowed into the enclosed range area.

12.9 Appendix 9

The space guidelines for broiler rearing in Barn Systems

Measure	Density
<u>Bird density</u>	Not to exceed 40 kg/m ²
<u>Feeder space</u>	
Pans with diameter of 30cm	70 birds per pan
Trough feeders	2.5 cm/bird
<u>Water drinker space</u>	
Troughs	2.0 cm/bird
Bell drinkers	1/100 birds
Nipple and cup drinkers	1 /10 to 20 birds

Houses shall be designed to provide chickens with a safe environment.

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant buildup of parasites and other pathogens. Where possible the floor should be concrete that is well maintained.

Light intensity for the first 3 days shall be sufficient to encourage chicks to start eating normally. Thereafter light intensity shall provide a period of adequate illumination for normal daily feed and water intake.

Heating and ventilation systems shall maintain the recommended temperature and ventilation with reasonable accuracy in order to prevent either overheating or chilling of the chickens.

Chickens raised in floor pens shall have enough freedom of movement to be able to stand normally, turn around and stretch their wings without difficulty.

The density of 40 kg live mass per square meter is the maximum density that should be applied under conditions of good ventilation and cooling systems by mechanical means. Where ventilation is supplied by natural convection, the density should be reduced appropriately

12.10 Appendix 10

The space guidelines for broiler rearing in Free Range Systems.

Internal Environment

Age (Weeks)	Birds/m ²	Feed Trough (cm/bird)	Pan or Tube Feeder (Birds/feeder)	Water Trough (cm/bird)	Bell Drinker (Birds/drinker)	Water Nipples (Birds/cup or nipple)
Adult	15	5	40	1.25	100	10

The chicken house must be so constructed that it provides for the welfare needs of the birds, whilst simultaneously providing protection from inclement weather conditions and both physical and thermal discomfort.

Whilst concrete floors are desirable, these are not mandatory, provided that whatever flooring is used allows for effective cleansing.

Where open-type housing structures in excess of 6 meters wide are used, provision should be made for ridge openings to facilitate ventilation. Mechanical assistance to natural ventilation (e.g. fans) is an acceptable practice.

Where housing is predominantly enclosed, ventilation by fans with a minimum airflow of 5 cubic meters per hour per kg of bird mass is required.

Litter must be provided on entire floor area. Such litter must be of sufficient quality and quantity to allow for the proper dilution of droppings and to allow birds to dust bathe.

Stocking densities must be adequate to accommodate the birds' normal behaviour. A maximum stocking density of 15 broiler birds per square meter of available floor space is permitted.

Light intensity for the first 3 days shall be sufficient to encourage chicks to start eating normally. Thereafter light intensity shall provide a period of adequate illumination for normal daily feed and water intake.

If using chain, trough or box feeders, which can be accessed from both sides, then a maximum of bird per 5 cm of feeder length, may be housed. If only one side is accessible, then 10 cm per bird must be provided. If pan or tube feeders are used, a maximum of 40 birds per feeder may be housed.

External Environment

These external environment conditions would apply to Free Range Broiler Production.

The stocking rate of the external range should not exceed 20000 per hectare. It is recognized that the prevalence of livestock theft is a reality, which restricts the provision of more extensive ranges.

The range must be maintained in a manner that allows for a minimum of 50% living vegetation present at all times. It is acknowledged that certain climatic conditions and locations make it difficult for this vegetation to always be green, but that this should be the objective.

The practice of rotational grazing is a desirable management tool, which allows for the active management of damaged ground, as well as minimizing the risk of a build-up of parasites.

External shade by way of either trees or artificial structures must be provided at the rate of 4 square meters shade per 1 000 birds.

In locations where overhead predators frequently occur, provision must be made for outside cover to reduce stress reactions from such sightings.

Fencing should be adequate to provide protection from indigenous terrestrial predators. Domestic animals such as dogs and cats must not be allowed into the enclosed range area.

12.11 Appendix 11
The space guidelines for broiler rearing in Cage Systems

Age (Weeks)	Weight (g)	Cage floor area (cm ² /bird)	Feed Trough (cm/bird)	Water Trough (cm/bird)	Nipple Drinkers (birds/drinker)
0 – 3	850	250	2.5	1.25	15
4 weeks to slaughter	2000	450	6.0	1.25	10

Houses and Cages shall be designed to provide chickens with a safe environment.

Cage height shall permit standing chickens free head movement.

The cage doors shall allow for easy insertion and removal of birds.

Cage floors shall not cause any injury or deformity during the rearing of the birds.

Cage floors shall preferably be covered with temporary supportive flooring such as paper or matting for the chicks during the early brooding period.

Chicken house flooring shall allow for effective cleaning and disinfecting, preventing significant buildup of parasites and other pathogens. Where possible the floor should be concrete that is well maintained.

12.12 Appendix 12

Farming Methods and Product Identification - Eggs

Producers are to be aware that eggs are marketed under the Agricultural Product Standard Act, 1990 (Act No 119 of 1990) and that under this act the regulations regarding the grading, packing and marketing of eggs destined for sale in the republic of South Africa need to be adhered to. In accordance with these regulations producers need to ensure that any claim made on packaging requires to be defined, either through definition in accordance with this Code of Practice or through registration of specific Brands or Trade Names by individual producers. In case of the latter the full definition and protocol shall be printed on the pack. If not it shall be made available to the public or inspectors by providing a website address, telephone helpline or postal address. These contact details must be printed on the carton.

Definitions

Eggs – means eggs of the species *Gallus domesticus* (domesticated fowls) that are kept in any production system.

Enriched Cage Eggs – means eggs that are produced by poultry that are continuously housed in cages within a shed where the cages include a nest box, a perch and a dust bath.

Barn Eggs – means eggs that are produced by poultry that are free to roam within a shed which may have more than one level. The floor may be based on litter and/or other materials such as slats or wire mesh.

Free-range Eggs – means eggs that are produced by poultry that are housed in sheds in which they are free to roam on litter and have daily access to an outdoor range.

Organic Eggs – means eggs that are produced by poultry that are housed in sheds in which they are

- free to roam on litter
- Fed a feed in which the raw ingredients have been Organically-grown.
- have daily access to an outdoor range on which only organic fertilizer is used
- fed feed that that has been composed from organically-grown raw materials, feed that contains no animal by-product, no ingredients that have been genetically modified and no antibiotics.

Grain Fed, All Grain and Mixed Grain Eggs – means eggs that have been produced by poultry housed in any production system and the birds have been fed on feed free of any fish meal or animal by-products provided that

- the ration contains a minimum of two sources of cereal grain, of which the second cereal should be no less than 10% of the ration
- the ration contains a minimum of two sources of vegetable proteins, of which the second vegetable protein source should be no less than 3% of the ration
- records of the purchase and incorporation rate of the specific cereals and vegetable protein be kept for a minimum of 3 years and
- words to the effect that the ration fed to the poultry was free of any fish meal or animal protein be displayed on the pack.

Cereal Fed Eggs – means eggs produced by poultry fed a feed

- in which cereals account for at least 60% in weight of the feed formula, of which no more than 15% of cereal by-product may be part
- without prejudice to the minimum of 60% referred to in point above, where reference is made to a specific cereal, it shall account for at least 30% of the feed formula used
- if reference is made to more than one cereal, each shall account for at least 5% of the feed formula.

12.13 Appendix 13 Judicious Use of Antimicrobials in Poultry Production

INTRODUCTION

The use of drugs in poultry is fundamental to poultry health and well-being. Antimicrobials are needed for the relief of pain and suffering in animals. For poultry, the gains that have been made in food production capacity would not have been possible without the ability for reliable drugs to contain the threat of disease to birds. The World Health Organization stated, "Antimicrobials are vital medicines for the treatment of bacterial infections in both humans and animals. Antimicrobials have also proved to be important for sustainable livestock production and for the control of animal infections that could be passed on to humans. "The benefit to human health in the proper use of antibiotics in food animals is related to the ability for these drugs to combat infectious bacteria that can be transferred to humans by either direct contact with the sick animal, consumption of food contaminated with pathogens from animals, or proliferation into the environment. However, the use of antimicrobials in food animals is not without risks.

Resistance to antimicrobials existed even before antimicrobials were used. The vast majority of drug-resistant organisms have however emerged as a result of genetic changes, acquired through mutation or transfer of genetic material during the life of the microorganisms, and subsequent selection processes. Resistance can also develop as a result of transfer of genetic material between bacteria. Resistance depends on different mechanisms and more than one mechanism may operate for the same antimicrobial. Microorganisms resistant to a certain antimicrobial may also be resistant to other antimicrobials that share a mechanism of action or attachment. Such relationships, known as cross-resistance, exist mainly between agents that are closely related chemically, but may also exist between unrelated chemicals. Microorganisms may be resistant to several unrelated antimicrobials. Use of one such antimicrobial will therefore also select for resistance to the other antimicrobials.

JUDICIOUS USE

Whenever poultry or human host is exposed to antimicrobials, there will be some degree of selection for a resistant bacterial population. Selection will depend upon the type of antimicrobial used, the number of individuals treated, the dosage regimen, and the duration of treatment. Therefore, it is vital to limit therapeutic antimicrobial use in animals and humans to those situations where they are needed.

The Southern African Poultry Association shares the concerns of the public, governmental departments, the South African Veterinary Association and public health community regarding the broad issue of antimicrobial resistance and specifically the potential risk of resistance developing in poultry with subsequent transfer to humans. Because of that concern and to maintain the long-term effectiveness of antimicrobials for poultry and human use and to increase the possibility of future antimicrobial drug approvals for the treatment of poultry, the Southern African Poultry Association committed to judicious use of antimicrobials by the poultry industry for the prevention, control, and treatment of poultry diseases to ensure safe food for humans and better welfare for poultry.

When the decision is reached to use antimicrobials as growth promoters or for therapy, it should be prescribed by veterinarians who should strive to optimize therapeutic efficacy and minimize resistance to antimicrobials to protect public and poultry health.

Judicious use of antimicrobials is an integral part of good farming practice and should be applied in the poultry industry. It is an attitude to maximize therapeutic efficacy and minimize selection of resistant microorganisms. Judicious use principles are a guide for optimal use of antimicrobials. They should not be interpreted so restrictively as to replace the professional judgment of veterinary practitioners or to compromise poultry health or welfare. In all cases, poultry should receive prompt and effective treatment as deemed necessary by the prescribing or supervising veterinarian.

Judicious Use Principles for Poultry

Preventive strategies, such as appropriate husbandry and hygiene, routine health monitoring, and immunization, should be emphasized.

The foundation of the success in the poultry industry is through disease prevention management. Farms utilizing all-in-all-out production minimize the presence of multiple ages of flocks on farms to help in disease prevention. Biosecurity programs in place on poultry farms prevent the introduction of diseases. The use of shower/transit facilities and dedicated protective clothing prevents the introduction and spread of disease within and between farms. Preventative disease programs based on vaccination strategies reduce disease outbreaks in poultry. The poultry industry is the leader in novel vaccination procedures for vaccination of large numbers of poultry. Breeder, layer and broiler flocks are monitored for protective response to vaccinations. Serological monitoring of disease exposure forms the basis of strategic vaccination programs.

Other therapeutic options should be considered prior to antimicrobial therapy.

The poultry industry approaches the treatment of diseases with antimicrobial agents very seriously. Because of the cost of disease treatment with antimicrobials, therapeutic antimicrobial intervention is used only as a tool to treat active disease. Management adjustments are made when disease outbreaks occur by reacting to environmental temperature, ventilation, and litter moisture to minimize the impact of any disease condition in flocks. Supportive therapy with vitamins and electrolytes are utilized in some cases of disease outbreaks. All of the above strategies help in preventing the use of antimicrobials for treatment.

Judicious use of antimicrobials, when under the direction of a veterinarian, should meet all requirements of a valid veterinarian-client-patient relationship.

Poultry veterinarians, in integrated companies or contracted to poultry operations, closely monitor antimicrobial use in their poultry flocks. They maintain close contact with service technicians and managers related to the use of antimicrobials. Veterinarians are involved in the training of all individuals that will ultimately be following veterinary directions for antimicrobial use. Antimicrobials are used always under the direction and knowledge of the company veterinarian or veterinary consultant.

Prescription (Medicines and Related Substances Control Act, no. 101 of 1965) use of antimicrobials.

Veterinarians in integrated poultry companies or contracted to poultry operations are responsible for the prescription and supervision of the use of these products in the poultry industry.

Extra label or compounded antimicrobial therapy must be prescribed only in accordance with the Veterinary and Para-veterinary professions Act, no. 19 of 1982, Medicines and Related Substances Control Act, no. 101 of 1965 and Pharmacy Act, no. 35 of 1974 with their relevant regulations.

Veterinarians in integrated poultry companies or contracted to poultry operations strive to use antimicrobials at labeled indications and dosage. With the abuse of antimicrobials, especially those registered under Act 36 of 1947, resistance developed to many of the products, which from time to time necessitates the extra label use of other registered products or for products to be compounded to treat specific disease problems in specific flocks. When prescribing, extra label or compounded antimicrobials, it is performed in compliance with the relevant acts and guidelines.

Over The Counter – (OTC) (FERTILIZERS, FARM FEEDS, AGRICULTURAL REMEDIES AND STOCK REMEDIES Act 36 of 1947) antimicrobials and feed additives must be applied according to the indications, dosage and withdrawal periods specified by the registration holder.

Feed additives and certain in feed as well as water medication are available over the counter in South Africa. The use of these products is not by law under veterinary supervision which led to the abuse of certain antimicrobials with resultant development of resistance to the active pharmaceutical compounds. It is therefore of the utmost importance that the poultry industry uses these products in a responsible way.

Antimicrobials considered important in treating refractory infections in human or veterinary medicine should be used in poultry only after careful review and reasonable justification. Consider using other antimicrobials for initial therapy.

SAPA recognize the importance of antimicrobial resistance in both human and veterinary medicine. Important antimicrobials used in both poultry and humans are held in reserve to minimize the rate of resistance development. Antimicrobials such as the quinolone-group should be held in reserve for the treatment of bacterial disease refractory to other antimicrobials.

Utilize culture and susceptibility results to aid in the selection of antimicrobials when clinically relevant.

Before antimicrobial therapy is initiated, based on mortality and morbidity, typically affected birds are euthanized and samples taken for bacterial culture and susceptibility testing (either antibiograms or Minimum Inhibitory Concentration –MIC). This is common practice in the poultry industry today. The poultry veterinarian uses this information to make informed decisions regarding the appropriate antimicrobial therapy to be initiated. This information is kept as part of the flock and farm history as information to determine changes in antimicrobial susceptibility patterns on farms.

Therapeutic antimicrobial use should be confined to appropriate clinical indications. Inappropriate uses such as for uncomplicated viral infections should be avoided.

Viral, fungal and other non-bacterial infections are not treated in poultry with antimicrobials. Veterinarians pay special attention to disease outbreaks to determine if, and when antimicrobial therapy is warranted. Every effort is made to address disease outbreaks with other disease management strategies prior to the initiation of antimicrobial therapy. Mortality and morbidity are closely monitored; diagnostic evaluations are performed to confirm bacterial involvement prior to antimicrobial therapy.

Therapeutic exposure to antimicrobials should be minimized by treating only for as long as needed for the desired clinical response.

Due to the cost of antimicrobial use in poultry, veterinarians and service technicians closely monitor antimicrobial treatments to minimize antimicrobial therapeutic exposure in flocks. Flocks are treated for the desired clinical response avoiding prolonged use of antimicrobials. Morbidity and mortality are used to base clinical judgments as to duration of therapy.

Limit therapeutic antimicrobial treatment to ill or at risk animals, treating the fewest animals indicated.

In population medicine involving flocks, it is recognized that in a disease outbreak, all birds are not infected at the same time with the disease to which antimicrobial therapy is warranted. However, birds in the same house are "at risk" to the same primary disease that often results in secondary bacterial infections. Only birds within the same house ill or at risk are treated. Adjacent houses, not clinically affected with disease, are not treated. If therapeutic antimicrobial intervention isn't cost effective and a low number of birds are infected per house, the cost of treatment will usually dictate that no antibiotics be used at all.

Minimize environmental contamination with antimicrobials whenever possible.

Every effort is made to avoid environmental contamination with antimicrobials. The cost of antibiotics generally ensures that the antimicrobial be used specifically in the diseased flock and not introduced into the environment unnecessarily.

Accurate records of treatment and outcome should be used to evaluate therapeutic regimens.

Record keeping is an integral part of the integrated poultry industry. Production records including medication costs, evaluation and outcome are kept and placed in the history of the farm for future reference in determining any changing antimicrobial susceptibility patterns.

LIVE BIRD SALES CODE OF CONDUCT

INTRODUCTION

The purpose of this document is to regulate and improve conditions relating to the sale and handling of live birds which may include culls during production, end of lay culls and live broiler sales.

It is intended that all SAPA members who are live bird sellers will display a poster sized copy of this code at their sale premises and that a copy of this code will be given to live bird buyers with each live bird sale. Where there is a fixed purchase arrangement between a live bird buyer and the seller it is not necessary to hand out a copy of this Code with each sale but only initially and whenever the Code is amended. The sellers will also hand out copies of the NSPCA pamphlets to their customers for onward transmission to the live bird retailers.

The live bird sellers are also required to keep a register of birds sold with the register containing the quantity of birds sold, the purchaser's details (sufficient that it is possible to contact the buyer) and the health records/status of the birds sold (defined as copies of all records held on farm).

Invoices and the normal health records for birds should suffice for this register as long as they contain the information in the attached declaration else this declaration may be used. Initially this information should be supplied quarterly and SAPA will collate this information and compile a national register of live bird buyers. SAPA will thereafter, in consultation with the NSPCA, use it to attempt to educate the live bird buyers and their customers on proper animal husbandry practices at their lairages. Once we have practical experience of the use of this Code the frequency of submission might be reduced.

As a general bio-security condition it is recommended that for all multi age sites live bird sales take place from a dedicated sale area outside of the bio secure zone and that no live bird buyers are allowed into the production facilities. In the case of single age sites the additional costs and welfare risks of multiple movements should be weighed up against the bio-security risks.

The requirement for vaccination and health declarations may seem onerous but as these birds are transported across provincial boundaries it is in the industry's own interest to better manage the transmission of diseases around South Africa.

This code is designed to apply to both the sale of live broilers, culls during production, depleted broiler and layer breeders and depleted commercial laying hens. As the weight of broiler breeders and commercial laying hens and layer breeders differs considerably there are separate specifications where applicable to allow for these weight differences.

CODE

1. All paperwork should be completed prior to catching and loading so that the vehicle may leave the premises immediately after loading is complete.
2. With each batch of birds the depleted bird buyer will receive a health declaration stating that the birds originate from a flock which conforms to the requirements as per the following DAFF approved documents:
 - Movement control protocol in case of an outbreak of Newcastle disease
 - Movement control protocol in case of an outbreak of *Salmonella* Enteritidis or *Salmonella* Gallinarum / Pullorum
 - Contingency plan in the case of an outbreak of Notifiable Avian Influenza and
 - Are free of visible signs of disease at the time of catching
3. During hot weather, birds should be loaded and transported during the cooler parts of day either in the early morning, late afternoon or at night.
4. The birds should not be deprived of feed and water before transport. During the transport phase the birds must not be without food or water for more than an absolute maximum of 24 hours measured from the time of last feeding / drinking to placement in the retail live bird seller's lairage with accessible feed and water. This condition must be applied with discretion as the welfare implications of handling birds immediately post feeding must also be considered.
5. The birds are to be transported in clean and sanitised standard size crates (770mm long, 500mm wide, 300mm high), in trolleys or in containers that qualify for use in terms of the relevant part of SAPA's Code of Practice. This applies to both the producer and the live bird buyer. Live bird sellers should not allow the loading of birds into damaged or otherwise unsuitable containers and are also responsible to ensure that stocking densities do not exceed the guideline limits.
6. The number of birds per standard sized crate should not exceed 6 broiler breeder birds and 10 layer birds. During hot weather the number should be reduced to 5 for broiler breeders and 9 for layer birds. If other containers are used a similar stocking density should be applied.
7. Birds are to be treated with respect and dignity.
8. Birds injured on the farm must be killed humanely, cervical dislocation being an acceptable practice, conditional to the farm having staff competent to carry out the procedure. Any birds injured during transport may not be sold but must be humanely disposed of.
9. Birds must be caught individually. Birds will only be handled by their legs and not any other part of the body. Not more than 4 hens may be carried per person at any one time.

10. The legs of the birds will not be tied as a measure of restraint when sold by any of the live bird sellers, live bird buyers or the retail live bird sellers.
11. The onus is on the live bird buyer to insist on healthy birds and not accept any visibly sick (or injured) birds.
12. The live bird buyer must ensure that the containers are properly secured on the vehicle before it leaves the premises and ensure the birds cannot escape from crates/containers during transport.
13. The birds must be taken to a lairage where food, water and shelter is provided or to an abattoir.
14. All birds must be kept in similar conditions to those in which they lived their productive lives i.e. floor based birds must be kept on floor systems and caged birds must be kept in cages. If held for longer than 24 hours in a facility, broiler breeders must be allowed free movement in a pen large enough for the purpose, this being defined as 6 birds/ m² (ca. 27kg/m²). If layer hens are to be held for longer than 24 hours in a facility they should be kept in cages complying with the SAPA Code of Practice specifications (currently 450cm²/bird floor space).
15. When abnormal rates of mortality occur after receipt of birds, the local State Veterinarian, or the Poultry Reference Centre at the Faculty of Veterinary Science, Onderstepoort or a consulting veterinarian should be requested to investigate the cause of the mortalities and to report to the original seller as well as the buyer.
16. All mortalities should be disposed of in line with local health regulations.
17. No mortalities will be sold or made available for human consumption.
18. At lairages instant decapitation (or cervical dislocation if competent staff are on site) is accepted as a means of culling injured or sick birds.

DECLARATION WITH REGARD TO LIVE BIRD SALES

We hereby affirm, that at the time of catching, the flock from which the live birds to which this declaration pertains:

- 1) Were free of visible signs of disease and no abnormal mortalities have been reported in the flock of origin in the preceding 30 days.
- 2) Have been tested for notifiable Salmonellae according to the “Salmonella Movement Protocols” and complies with the requirements in the protocol.
- 3) Have been tested for notifiable Avian Influenza according to the “Contingency Plan in the case of an outbreak of notifiable avian influenza (NAI)” and complies with the requirements in the document.
- 4) Have been tested for Newcastle Disease according to the “Movement Control Protocol in case of Newcastle disease” and complies with the requirements in the protocol.
- 5) Have been handled in accordance with the current SAPA Code of Practice for Live Bird Sales.

Date & time of feed withdrawal:

Date & time of water withdrawal:

Date & time of departure from farm of origin:

SELLER’S DETAILS

Type of stock: Broiler breeders / Broilers/ Layer breeders/ Spent layer birds

(strike through whichever is not applicable)

House of origin:

Site of origin:

Farm of origin:

Magisterial district:

Responsible person:

Contact details: (tel / cellphone number)

Signature: :

BUYER’S DETAILS

Destination:

Magisterial district:

Responsible person:

Signature:

BIOSECURITY ON POULTRY OPERATIONS - PEOPLE

Biosecurity in all poultry operations is of the utmost importance to ensure healthy flocks perform according to the required standards.

People movement is one of the main means of transmitting disease between flocks or farms. There are different aspects of biosecurity relating to people movement in poultry operations including physical biosecurity and procedural biosecurity.

- Geographical situation and lay-out of poultry operations.
- Restricted admission (e.g. functional fence with gates that can be locked, access control, visitors allowed only on appointment).
- Transit facilities (e.g. at the office) where private clothes and foot wear are exchanged for farm clothes and foot wear, reduce the risk of diseases being carried onto the farm on clothing or shoes.
- Shower facilities must provide effective separation between the “private clothes area” and the “site clothes area”
- Leave watches cell phones etc. outside the site.
- Spectacles must be disinfected.
- If vehicles are not disinfected, it must be left at a safe parking area a distance away from the poultry houses.
- Managers/visitors/service personnel should preferably restrict themselves to only one farm per day. The generally accepted practice of moving between flocks in a sequence from young to old or from healthy to sick unfortunately presents some risk as well. (Young birds may be infected with infectious agents not present in older birds; clinically healthy birds may be asymptomatic carriers of disease) However, moving in this sequence is undoubtedly better than moving at random
- Golden Rule: Restrict visitors to the absolute minimum.
- Unfortunately it is sometimes inevitable that visitors (e.g. Veterinarians, technicians, electricians etc.) have to visit more than one site per day. In these instances they must preferably shower in and out at every site. They must work in a young-to-old and/or healthy-to-sick sequence. NOBODY should be allowed to visit a healthy site after they have been to a diseased site.
- Foot wear disinfection or changeover of foot wear should be in place where required.

The people movement matrix can be used as a guideline to manage people movement between poultry and poultry related operations to minimise the risk of disease transmission by people.

FROM	TO	QP Quarantine	GP Rearing	GP Laying	GP Hatchery	Breeder Hatcheries	Breeder Rearing	Breeder Laying	Broilers / Pullet Rearing	Commercial Layers	Processing plants
	QP Quarantine	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs
	GP Rearing	Next day	Next day	Next day	Same day	Next day	Next day	Next day	Next day	Next day	Same day
	GP Laying	2 x 24 hrs	2 x 24 hrs	Next day	Same day	Next day	Next day	Next day	Next day	Next day	Same day
	GP Hatchery	2 x 24 hrs	2 x 24 hrs	Next day	Same day	Next day	Next day	Next day	Next day	Next day	Same day
	Quarantine company: Poultry/Hatchery: Processing	4 x 24 hrs	4 x 24 hrs	4 x 24 hrs	4 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	Next day	Same day
	Food items	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	Next day	Same day
	Breeder Rearing (Young to Own)	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	Same day	Same day on same farm (max 2 sites)	Same day on same farm (max 2 sites)	Next day	Next day	Same day
	Breeder Laying (Young to Own)	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	Same day	Next day	Same day	Next day	Next day	Same day
	Breeder Hatcheries	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	Same day	2 x 24 hrs	Next day (to known positive sites)	Same day	Same day	Same day
	Broilers / Pullet Rearing	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	Next day (or same day with Veterinary approval)	2 x 24 hrs	2 x 24 hrs	Same day (Young to Own Hatchery to Site)	Next day	Same day
	Commercial Layers	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	Next day (or same day with Veterinary approval)	2 x 24 hrs	2 x 24 hrs	Next day	Same day (Young to Own Hatchery to Site)	Same day
	Processing plants	4 x 24 hrs	3 x 24 hrs	3 x 24 hrs	3 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	2 x 24 hrs	Same day
	From any disease positive site	5 x 24 hrs	5 x 24 hrs	5 x 24 hrs	5 x 24 hrs	Next day plus 2 x 24 hrs (Own farm hatchery 1 x 16 hrs)	Next day plus 24 hrs	Next day plus 2 x 24 hrs	Next day plus 1 x 24 hrs	Next day plus 1 x 24 hrs	Same day



RESTRICTED

SPECIFICATION FOR POINT-OF-LAY HENS

DEPARTMENT OF CORRECTIONAL SERVICES

ITEM	DETAILS OF OFFER	
	Comply	Not Comply
POINT-OF-LAY HENS		
1. The Department of Correctional Services Requires the services of a service providers for the supply, delivery and off-loading of point of lay hens for the period of 36 months (three year) with full compliance to: <ul style="list-style-type: none">• Individual delivery and total quantities as specified in SBD 3.1• Delivery dates as specified in SBD 3.1		
2. Provide with each delivery a prescribed rearing lighting pattern/program to show the duration for keeping the lights on, for the laying hens/day.		
3. DCS will only pay for live lay hens at arrival. In cases where mortality exceeds 5%, the supplier must replace these lay hens within three (3) working days.		
4. The lay hens must be delivered at point of lay between the ages of 18 and 22 weeks. There must be uniformity in terms of breed, size and age of the chickens.		
5. All the point of lay hens must be physically healthy and free from diseases:		

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ITEM	DETAILS OF OFFER	
POINT-OF-LAY HENS	Comply	Not Comply
<p>Bidders must confirm on delivery of each batch by way of a certificate from his/her rearer that all the point of lay hens delivered, have been vaccinated or treated against the following diseases:</p>		
<ul style="list-style-type: none"> • Newcastle 		
<ul style="list-style-type: none"> • Infectious Bronchitis (IB) 		
<ul style="list-style-type: none"> • Mareks 		
<ul style="list-style-type: none"> • Infectious Laryngo Tracheitis (ILT) 		
<ul style="list-style-type: none"> • Fowl Pox 		
<ul style="list-style-type: none"> • Egg Drop Syndrome (EDS) 		
<ul style="list-style-type: none"> • Epidemic Tremor 		
<ul style="list-style-type: none"> • Infectious Coryza 		
<ul style="list-style-type: none"> • Gumboro 		
<ul style="list-style-type: none"> • And any other related diseases. 		
<p>6. The bidder must ensure that the beaks of point of lay hens are trimmed prior to delivery to prevent cannibalism and feather picking.</p>		
<p>7. The bidder must ensure that his/her rearer provide the Department with proposed vaccination program with each batch covering the production cycle of the lay hens.</p>		
<p>8. The bidder must ensure that the rearer complies with the Live Birds Sale Code of Conduct as stipulated in the South African Poultry Association Code of practice: June 2022, 12.14 Appendix 14. See attached. Also refer to paragraph 7.2.3.2 of Special Condition of Contract.</p>		
<p>9. Point of lay hens must be delivered into the steel layer cages by the supplier at the relevant specified delivery points on week-days (Monday to Friday only) between 07h00 to 11h00.</p>		

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RESTRICTED

ITEM	DETAILS OF OFFER	
	Comply	Not Comply
POINT-OF-LAY HENS		
10. Point of lay hens must be delivered without additional cost in the poultry houses at the respective Correctional Centre farms on the specified dates.		
10.1 Delivery dates and quantities will be arranged timeously between the specific Correctional Centre farm and the supplier.		
11. Bidders who are not rearer themselves are required to provide the following information with submission of the tender document:		
a. Full details of their actual rearer (s)		
b. Written confirmation from their supplier(s) that:		
• The suppliers are going to supply the bidder with the required point of lay hens for the period of the contract.		
• The point of lay hens to be supplied be in compliance with stipulations in the specification.		
12. All deliveries (transport) must be done in accordance with the stipulations in South African Poultry Association Code of Practice: June 2022, paragraph 9, See attached.		

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**NEEDS POINT OF LAY HENS:
08 JANUARY 2023 TO 07 JANUARY 2026**

DEPARTMENT OF CORRECTIONAL SERVICES

1. Mthatha Correctional Centre farm (East London)

A total number of 7 920 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 2 houses: 1 house with the capacity of 1200 point of lay hens

1 house with the capacity of 1440 point of lay hen

2. Grootvlei Correctional Centre farm (Bloemfontein)

A total number of 15 552 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 3 houses each with the capacity of 1 728 point of lay hens

3. Drakenstein Correctional Centre farm (Paarl)

A total number of 38 400 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

**There are 6 houses: 1 with the capacity of 4 800 point of lay hens
5 with the capacity of 3 600 point of lay hens**

4. Losperfontein Correctional Centre farm (Brits)

A total number of 76 226 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 4 houses each with the capacity of 7 300 point of lay hens

RESTRICTED

5. Kirkwood Correctional Centre farm (Port Elizabeth)

A total number of 19 200 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 3 houses each with the capacity of 1 600 point of lay hens

6. Middeldrift Correctional Centre farm (Amathole)

A total number of 9 000 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 3 houses each with the capacity of 1000 point of lay hens

7. Waterval Correctional Centre farm

A total number of 37 500 point of lay hens are required over the bid period.

Point of lay hens must be delivered on site as per dates and the quantities to be specified on the order form.

There are 4 houses each with the capacity of 2 500 point of lay hens



**PRICING SCHEDULE – NON-FIRM PRICES
 (PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT MTHATHA CORRECTIONAL CENTRE FARM (EAST LONDON)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
1	7920	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 2 houses</u> 1 house with the capacity of 1 200 point of lay hens. 1 house with the capacity of 1 440 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services



Country of origin :

Does the offer comply with the specification? * Yes No

If not to specification, indicate deviation(s)

Period required for delivery

Delivery basis (al delivery costs must be included in the bid price)

Are you the actual Pullet rearer (who normally keeps stock of the required items)? * Yes No

If not, kindly indicate the following:

What value will you add to the contract?

Details of your supplier (Pullet rearer) from whom you will source the item.

Name of supplier: ...
 Physical Address:
 Telephone number:
 E-mail address:

*Mark the relevant block with an X
 Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE



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Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:

PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

**PRICING SCHEDULE – NON-FIRM PRICES
 (PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT GROOTVLEI CORRECTIONAL CENTRE FARM (BLOEMFONTEIN)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
2	15 552	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 3 houses</u> Each with the capacity of 1 728 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services

Country of origin :

Does the offer comply with the specification? *

Yes	No
-----	----

If not to specification, indicate deviation(s)



Period required for delivery

.....
.....
.....

Delivery basis (al delivery costs must be included in the bid price)

.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*

Yes	No
-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....
.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....
.....

Name of supplier: ...

Physical Address:

Telephone number:

E-mail address:

.....
.....
.....
.....
.....
.....
.....

*Mark the relevant block with an X

Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry) Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES



2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

Pa = (1 - V)Pt (D1 R1t / R1o + D2 R2t / R2o + D3 R3t / R3o + D4 D4t / D4o) + VPt

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

Table with 5 columns: FACTOR (D1, D2 etc. eg. Labour, transport etc.), PERCENTAGE OF BID PRICE, INDEX PPI/CPI etc., TABLE NUMBER, INDEX FIGURE

Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

Table with 7 columns: PARTICULARS OF FINANCIAL INSTITUTION, ITEM NO, PRICE, CURRENCY, RATE, PORTION OF PRICE SUBJECT TO ROE, AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD



				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

**PRICING SCHEDULE – NON-FIRM PRICES
 (PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT DRAKENSTEIN CORRECTIONAL CENTRE FARM (PAARL)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
3	38 400	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 6 houses</u> 1 house with the capacity of 4 800 point of lay hens. 5 houses with the capacity of 3 600 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services



Country of origin :

.....

Does the offer comply with the specification?

*

Yes	No
-----	----

If not to specification, indicate deviation(s)

.....

Period required for delivery

.....

Delivery basis (all delivery costs must be included in the bid price)

.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*

Yes	No
-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....

Name of supplier: ...
 Physical Address:
 Telephone number:
 E-mail address:

.....

*Mark the relevant block with an X

Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE



--	--	--	--	--

Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



**PRICING SCHEDULE – NON-FIRM PRICES
 (PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT LOSPERFONTEIN CORRECTIONAL CENTRE FARM (BRITS)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
4	76 226	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 4 houses</u> Each with the capacity of 7 300 point of lay hens.	R.....Price per lay hen.

"ALL APPLICABLE TAXES" includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services

Country of origin :



Does the offer comply with the specification?

*

Yes	No
-----	----

If not to specification, indicate deviation(s)

.....
.....

Period required for delivery

.....
.....

Delivery basis (all delivery costs must be included in the bid price)

.....
.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*

Yes	No
-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....
.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....
.....

Name of supplier: ...

Physical Address:

Telephone number:

E-mail address:

.....
.....
.....
.....
.....
.....
.....

*Mark the relevant block with an X

Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE

Omission to provide the information may invalidate your bid.



5. Number of times per annum adjustments will be claimed:

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT KIRKWOOD CORRECTIONAL CENTRE FARM (PORT ELIZABETH)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
5	19 200	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 3 houses</u> Each with the capacity of 1 600 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services

Country of origin :



Does the offer comply with the specification?

.....
*

Yes	No
-----	----

If not to specification, indicate deviation(s)

.....
.....

Period required for delivery

.....
.....

Delivery basis (al delivery costs must be included in the bid price)

.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*

Yes	No
-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....
.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....
.....

Name of supplier: ...

Physical Address:

Telephone number:

E-mail address:

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.....

*Mark the relevant block with an X

Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %



PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1-V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE



Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT MIDDLEDRIFT CORRECTIONAL CENTRE FARM (AMATHOLE)

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
6	9 000	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 3 houses</u> Each with the capacity of 1 000 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services

Country of origin :

Does the offer comply with the specification? * Yes No



If not to specification, indicate deviation(s)

.....
.....

Period required for delivery

.....
.....

Delivery basis (all delivery costs must be included in the bid price)

.....
.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*	Yes	No
---	-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....
.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....
.....

Name of supplier: ...
Physical Address:
Telephone number:
E-mail address:

.....
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.....
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.....
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.....
.....

*Mark the relevant block with an X
Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1-V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE

Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:



B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



**PRICING SCHEDULE – NON-FIRM PRICES
 (PURCHASES)**

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number DCS 8/1/2022
Closing Time 11:00 on 28 November 2022	

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

SUPPLY, DELIVERY AND OFF-LOADING OF POINT OF LAY-HENS AT WATERVAL CORRECTIONAL CENTRE FARM

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
7	37 500	Point of lay hens must be delivered on site as per dates and quantities to be specified on the order form. <u>There are 4 houses</u> Each with the capacity of 2 500 point of lay hens.	R.....Price per lay hen.

“ALL APPLICABLE TAXES” includes value-added tax, pay as you earn income tax, unemployment insurance fund contributions and skills development levies.

NOTE :

According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax.

All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Required at : Department of Correctional Services

Country of origin :

Does the offer comply with the specification? * Yes No

If not to specification, indicate deviation(s)

.....

Period required for delivery

.....

Delivery basis (all delivery costs must be included in the bid price)

.....

Are you the actual Pullet rearer (who normally keeps stock of the required items)?

*

Yes	No
-----	----

If not, kindly indicate the following:

What value will you add to the contract?

.....

Details of your supplier (Pullet rearer) from whom you will source the item.

.....

Name of supplier: ...

Physical Address:

Telephone number:

E-mail address:

.....

*Mark the relevant block with an X

Provide a Breakdown of Bid Price:

Cost Component <i>(Specific to your commodity – well researched with the industry)</i> <i>Provision should be made in the item questionnaires for this breakdown</i>	% Contribution
D1- Agriculture live animals	
D2 - Labour	
D3 - Packaging	
D4 – Transport	
D5 – Other, (specify)	
TOTAL (Cost components must add up to 100%)	100 %

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

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

$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

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

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

Index..... Dated..... Index..... Dated..... Index..... Dated.....
 Index..... Dated..... Index..... Dated..... Index..... Dated.....

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

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE	INDEX PPI/CPI etc.	TABLE NUMBER	INDEX FIGURE

Omission to provide the information may invalidate your bid.

5. Number of times per annum adjustments will be claimed:



B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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.

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.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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.

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

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



PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

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

1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of

- section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18

3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 **TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 **DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

.....

8.6 **COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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 by the National Treasury 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.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....