

Cancelation of Government Tenders

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Many of you who have responded to Government tenders have been disappointed when a tender is cancelled. You have put in many days and nights' worth of effort just to receive the unwelcome news the tender is cancelled.

The question is – do Government entities have the right to cancel tenders?

Government entities do have the authority to cancel a tender before it has been awarded. Regulation 13 of the Preferential Procurement Regulations, 2017 stipulates that a tender can be cancelled –

- Due to a change in circumstances – for example there is no longer a need for the goods or services specified in the tender invitation;
- There are no funds available to cover the cost of the expenditure;
- No acceptable tender offerings have been received;
- There is a material irregularity in the tender process.

The decision to cancel a tender must be published in the same way the original tender invitation was advertised.

If an Organ of State wants to cancel a tender invitation for a second time, it must get prior approval for National Treasury.

To learn more about this and many other tender conditions attend our “Become a Tender Expert” 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth, and Cape Town. Book and pay online at <https://howtotender.co.za/tender-expert-form/>

Contact us at estelle@howtotender.co.za should you require more information.

You can also purchase a Tender Manual (Handbook) on our website <https://howtotender.co.za/> which is a step by step guide how to respond to a South African Tender. It includes examples of completed SBD forms.