

## Open and effective competition when bidding

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If one looks at the General Procurement Guidelines that National treasury issued to Government Departments, it is clear that Government wants the tender process to be fair, equitable, transparent, competitive, and cost-effective just as Section 217 of the Constitution of South Africa requires. The Government issued these guidelines as a prescription of standards of behaviour, ethics, and accountability which it requires of its public service as well as a statement of the Government's commitment to a procurement system which enables the emergence of SMME's.

The core principles or five principles of the procurement process in South Africa are:

1. Value for money
2. Open and Effective competition
3. Ethics and Fair Dealing
4. Accountability and Reporting
5. Equity

The one we want to focus on today is Paragraph 2 of the General Procurement Guidelines namely "Open and Effective Competition". This means that everybody must have the same chance to respond to a request for quotation or bid. These Guidelines are clear, and it states inter alia that: "Departments need to apply effort and research to get the best possible outcome from the market by ensuring that:

- a) potential suppliers have reasonable access to procurement opportunities and that available opportunities are notified at least in the Government Tender Bulletin;
- b) where market circumstances limit competition departments recognize that fact and use procurement methods that take account; of it;
- c) adequate and timely information is provided to suppliers to enable them to bid;
- d) bias and favouritism are eliminated;
- e) the costs of bidding for opportunities do not deter competent suppliers; and
- f) costs incurred in promoting competition are at least commensurate with the benefits received".

Looking at the above it means that Government Entities must advertise their requests for quotations and bids in such a manner that the reasonable business will be able to respond to the request for quotation or bid. Should you come across a request for quotation or bid that were not properly advertised you might want to remind that specific Government Entity about paragraph 2 in the General Procurement Guidelines. It is our duty to make sure these Guidelines are followed.

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Contact us at [estelle@howtotender.co.za](mailto: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.