

SERVICE PROVIDER AGREEMENT



on the Go for Growth

WATERBERG DISTRICT MUNICIPALITY

Entered into by:

The Waterberg District Municipality
(*'the Client'*)

And

Waterberg Biosphere Reserve – Section 21 Company
(*'The Service Provider'*)

In respect of **Co-Funding of Waterberg Biosphere Reserve**

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- 1.2.5. **'key result'** means an indicator or yardstick in terms of which the Service Provider's successful performance of its obligations may be gauged;
- 1.2.6. **'methodology'** means the professional expertise and the system of methods required by the Service Provider to perform the obligations set out in terms of this Agreement;
- 1.2.7. **'prime rate'** means the variable interest rate as charged and calculated by the Service Provider's bankers from time to time;
- 1.2.8. **'project'** means the services to be performed by the Service Provider in terms of the Tender and the corresponding obligations to be fulfilled by the Client;
- 1.2.9. **'project plan'** means the strategy prepared by the parties for the successful completion of the Project submit within a reasonable time, prior to commencement of project;
- 1.2.10. **'Remuneration schedule'** means the details of remuneration.
- 1.2.11. **'Service Provider'** means **Waterberg Biosphere Reserve**, section 21 company.
- 1.2.12. **'services'** refers to the professional work to be performed by the Service Provider in terms of this Agreement, as per page 5;
- 1.3. figures are referred to in numerals and in letters and if there is any conflict between the two then the letters shall prevail; and,
- 1.4. expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement, which do not themselves, contain their own definitions.

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- 5.1.1. The Service Provider's business plan (Schedule 1); referred to as "annexure B"
- 5.1.2. Letter of appointment (Schedule 2) referred to as "annexure C"; a
- 5.1.3. The National Treasury General Conditions of Contract, referred to as "annexure D"
- 5.2. In the event of conflict between the provisions of any of the aforesaid documentation and this Agreement, the provisions of this Agreement shall prevail.
- 5.3. Any additional work which is not part of the initial agreement will have to be requested in writing and approval be given prior to work done.

6. Scope of Services

- 6.1 Index already provided in the business plan submitted by Waterberg Biosphere Reserve, referred to as "annexure B"

To implement biosphere reserves programmes:

- Environmental and biosphere education and awareness,
- Destination marketing and promotion
- Further develop and market tourism route in the form of Waterberg Meander,
- Developing of community owned and operated tourism products (e.g. Telekishi Ramasobana Cooperative, Pedi Potters, Lehlabile Cultural Tours, etc)
- To ensure sustainable development: development that meets the needs of the present without compromising the ability of the future.
- Protecting the central asset of the Waterberg Biosphere Reserve, namely its wilderness quality, unspoiled nature and rich biodiversity
- Participate in the Man and Biosphere Programmes
- Participate in local and district municipalities' IDP processes and LED Forums
- Feasibility study for Makapans Heritage Route, and Makapans Valley World Heritage Site Walking Rails

7. Deliverables

- 7.1 Professional services managing the biosphere reserve, the Waterberg Meander, skills development and community tourism development, Feasibility

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11. Remuneration

- 11.1. Remuneration will be on a re-imbursement basis, Waterberg Biosphere Reserve will claim in accordance with the business plan and proof of payments on activities performed per quarter.

12. Retention

- 12.1 There shall be no retention.

13. Variations and cancellations

- 13.1. No agreement varying to, deleting from or cancelling this agreement shall be of force or legal effect unless reduced in writing and signed by or on behalf of the parties.

14. Limitation of liability

- 14.1. The Service Provider hereby protects and secures the Client against all legal liability with regard to any claims that may arise as a result of a breach of contract or negligence on the part of the Service Provider in respect of its obligations in terms of this Agreement.
- 14.2. The maximum liability of the Service Provider in respect of the aforesated claims shall be limited to the aggregate of fees that have accrued to the Service Provider for the obligations that form the subject of the breach of contract or negligence as at the time that the cause of action arose.

15. Amicable Settlement

- 15.1. If any dispute arises in terms of this contract, either party may give five (5) days written notice to the other of such dispute, whereupon the parties shall meet promptly and in good faith attempt to reach an amicable settlement.

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- 17.2. Should the party in breach have failed to rectify the breach within the aforesaid time period, the other party may cancel this Agreement and claim recovery of damages.
- 17.3. The project commences upon date of signature of service level agreement to the 30th June 2015.
- 17.4. Any request for an extension on timeframe must be done in writing and be approved by the Accounting Officer as an addendum to this agreement or penalties will be imposed on the Service Provider.

18. Termination

- 18.1. This Agreement may be terminated upon 20 (twenty) business days' written notice, after the terminating party has consulted the other about its intention.
- 18.2. The aforesaid termination shall not prejudice either party's rights in respect of the obligations
- 18.3. already performed or to be performed as at the date of termination.

19. Severability

- 19.1. Any provision of this agreement found or held invalid or unenforceable, such terms shall be severable and the validity of all other terms shall not be affected thereby.

20. Whole agreement

- 20.1 This Agreement and its annexures constitutes the whole agreement between the parties unless supplemented by further agreements, which shall be in writing.

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- Non- compliance to scope of work, reporting requirements and any other tender documents requirements.
- Any other misrepresentation or poor performance.

The expiry date of the implementation period for this project is the **30th June 2015 after the date of service level agreement signature.**

No extension will be granted for this project without good motivation and any failure to deliver the expected results before or on the specified deadline date will automatically result in penalties to be effected by WDM.

The penalties will be calculated ranging from **2% to 25%** of the total project amount on the discretion of the municipality. Penalty percentage may be above 25% if the offence is severe.

All penalties will be on the discretion of the Accounting Officer.

National Treasury Conditions of Contract will also apply in terms of penalties imposed.

24. Confidentiality

24.1 For the purposes of the agreement confidential information means any and all information, including but not limited to, technical, financial, product and commercial information – disclosed in writing or otherwise by the disclosing party to the receiving party, whether disclosed in view of the purpose before or after the date of Agreement and shall be deemed to include all documents and other material (including samples, models and computer software) containing or embodying or based on the confidential information (or part thereof) together with all notes, summaries and other material derived there from and all copies or reproductions of the foregoing. Such Confidential Information shall not include information:

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24.4 The Parties' obligation in terms of this clause will survive the termination of this Agreement including the termination thereof by the effusion of time.

24.5 In the case of a release, announcement or document which is require to be given, made or published by law or under the rules of the JSE Securities Exchange South Africa or any other relevant stock exchange, the Party liable so to give, make or publish the same shall give to the other Party as much advance warning thereof as is reasonable in the circumstances together with drafts or a copy thereof as soon as it is at liberty to do so.

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ANNEXURE B

**APPROVED LEDET GRANT: DETAILED BUSINESS PLAN FOR IMPLEMENTATION
BY THE WATEBERG BIOSPHERE RESERVE**

Compiled by Ms Kelly Abram: Programme Coordinator

Approved by Dr Rupert Baber: Chair

Details	Priority Project/ Strategic Objective	Amount
Professional services: managing WBR, fundraising	Effectively Functioning Section 21 Company	R30,000.00
Maintaining & operating WBR office & information centre	Communication/ Building a Constituency for the Biosphere	R24,000.00
Office & banking expenses	Effectively Functioning Section 21 Company	R12,000.00
Telephone, internet & website costs	Communication/ Building a Constituency for the Biosphere	R15,000.00
Communication strategy: newsletters, database for email news etc	Communication/ Building a Constituency for the Biosphere	R8,000.00
Tourism	Communication/ Tourism Development	R3,500.00
Skills development costs/ maintaining & equipping skills training centre	Skills Training	
Signage	Communication/ Building a Constituency for the Biosphere	R1,500.00
Facilitation of and fundraising for Community Tourism Development	Community Tourism Development	
Meetings	Communication/ Building a Constituency for the Biosphere	R3,000.00
Travel expenses	Communication/ Building a Constituency for the Biosphere/ Effectively Functioning Section 21 Company	R8,266.00
Compilation of application to UNESCO for expansion of WBR	Protected area expansion / spatial planning	R8,000.00
Environmental Education	Environmental education	R14,000.00
Logistical support to Save the Waterberg Rhino project	Protecting our environmental assets	R20,400.00
TOTAL		R147 666.00

Approved by:

Project Manager (LEDET): Dr Karen Steenkamp

[Signature]

03/06/2014

Project Manager (Municipal official): Betty Molekwa

[Signature]

Project Manager (WBR): Dr Rupert Baber

[Signature]

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**APPROVED WOM BUDGET: DETAILED BUSINESS PLAN FOR IMPLEMENTATION
BY THE WATERBERG BIOSPHERE RESERVE**

ADDENDUM to the LEDET GRANT BUDGET signed and dated 3/6/14

Compiled by Ms Kelly Abrams, Programme Coordinator Approved by Dr Rupert Ralston, Chair

Revised plan for the inclusion of two projects funded by Waterberg District Municipality

Details	Priority Project/ Strategic Objective	Amount
First part of business plan – LEDET (See main business plan)	LEDET Budget	R147,568.00
Makgona's Vaders World Heritage Site Vigilong Hens	Waterberg District	R100,000.00
Makgona's Heritage Route	Waterberg District	R100,000.00
TOTAL		R347,568.00

Approved by:

Project Manager (LEDET) Dr Rupert Ralston



Date 25/9/2014

Project Manager (Municipal Affairs) Betty Mphahlele



Date 25/9/2014

Project Manager (WBR) Dr Rupert Ralston



Date 25/9/2014

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ANNEXURE C