

# MHLONTLO LOCAL MUNICIPALITY

## TENDER CMMS-YR03-MLHM-2017-18:

### REQUEST FOR PROPOSAL

CLOSING DATE: 9 NOVEMBER 2017	CLOSING TIME: 12:00
-------------------------------	---------------------

NAME OF BIDDER\* : .....

ADDRESS\* : .....  
: .....  
: .....  
: .....

TEL NUMBER\* : .....

FAX NUMBER\* : .....

CSD SUPPLIERS NO. : .....

SARS COMPLIANCE PIN : .....

B-BBEE LEVEL OF CONTRIBUTION\* : .....

TENDER AMOUNT (VAT INCLUDED)\* : .....see pricing schedule on page 19.....

(\* - TO BE COMPLETED BY BIDDER)

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**SECTION 1.1: INVITATION TO TENDER**

<b>TENDER NOTIFICATION</b>
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PROJECT NAME	CONTRACT NUMBER	CLOSING DATE	CLOSING TIME
<b>Develop a Comprehensive and Integrated Trade and Investment Strategy ,Implementation Plan and Framework</b>	<b>CMMS-YR03-MLHM-2017-18</b>	<b>09/11/2017</b>	<b>12:00PM</b>

N.B tender documents will be available to e-Tender

Quotations are requested from suitable qualified service providers to Develop a Comprehensive and Integrated Trade and Investment Strategy,Implementation Plan and Framework to Mhlontlo Local municipality.

**1. Evaluation Criteria**

Mhlontlo Local Municipality subscribes to the Broad Based Black Economic Empowerment Act (BBBEEA) Act 53 of 2003, Preferential Procurement Policy Framework Act, 2000(Act 5 of 2000). The 80/20 preference point system shall be applicable during the evaluation and adjudication of this tender.

Received Responsive bids will be evaluated based on the following:

- Stage 1- Functionality
- Stage 2- Price and preferential points

The 80/20 preference system will be used as per SCM policy, where 80 points will be for price and 20 for BBBEE.

**(b) FUNCTIONALITY ASSESSMENT:**

Functional Category & Description	Points Allocation
<b>Experience on similar job</b>	<b>50</b>
<b>Capacity and Expertise</b>	<b>50</b>
<b>Total</b>	<b>100</b>

**NOTE: Only bidders who scored 70% and more on stage 1 to be evaluated further on price evaluation.**

**BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS:**

- Submission of a Certified B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or sworn affidavit
  - CSD Report not later than one month of the tender closing date
  - Tax compliance status pin
  - Proof of Municipal Rates not later than three months
  - JV Agreement must be signed
  - A Detailed Company Profile (with relevant past experience) and MBD4 FORM

Failure to attach the above-mentioned documents will lead to disqualification.

Must be deposited in the tender Box at the Mhlontlo Local Municipality, 96 Lungile Mabindla Street Qumbu or Posted to P.O. Box 31 Qumbu 5180. Faxed or electronic submission of documents will not be accepted.

Mhlontlo Local Municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it.

The Municipality does not bind itself to accepting the lowest tender or any tender

#### **4. ENQUIRES**

Any queries for further information relating to this advert must be directed to Ms N.Mgqwetho on 047 553 7000 and SCM queries to be forwarded to Mr. T Mbono at 047 553 7000.

**MR S.G SOTSHONGAYE  
MUNICIPAL MANAGER**

## SECTION 1.2: TENDER CONDITIONS AND INFORMATION

### Project Details- Request for Proposal

Suitable service providers are required to develop a comprehensive and Integrated Trade and Investment Strategy, Implementation Plan and Framework in Mhlontlo Local Municipality.

PROJECT NAME	NO.
<b>DEVELOP A COMPREHENSIVE AND INTEGRATED TRADE &amp; INVESTMENT STRATEGY, IMPLEMENTATION PLAN AND FRAMEWORK.</b>	CMMS-YR03-MLHM-2017-18

### SPECIFICATION

Terms of Reference for the development of the Mhlontlo Local Municipality Trade & Investment Promotion Strategy

Beneficiary:

MHLONTLO LOCAL MUNICIPALITY

Date of Publication:

### **1. Preamble**

Mhlontlo Local Municipality has a standing Council Resolution that mandates EXCO to establish Trade & Investment Mhlontlo (TIM), as an Institutionalised entity within the Municipality. The resolution was arrived at within the context of a developmental imperative that mitigates for an approach that allows for investment-friendly process, as the Municipality pursues Local Economic Development targets. This entity is anticipated to engender a culture of Investment efficacy to the Municipality's broad development endeavours geared at fulfilling the economic delivery mandate of Local Government. It therefore becomes imperative for the municipality to seek services of a Professional Service Provider that will formulate Trade & Investment Promotion Strategy based on but not limited to:

- Necessity to promote integrated trade and investment in the region (inward investment).
- Need to develop clear strategic plans, objectives and implementation framework for both Trade & Investment.
- Need to harmonise both public and private Trade and Investment initiatives.
- The need of Building upon Mhlontlo LM's strengths, characteristics and comparative advantage to formulate an informative, collaborative focused strategy that will mitigate the challenges that Mhlontlo municipality is faced with.
- Lack of packaged Trade & Investment opportunities.

- Obligation for the re-alignment to both National and Provincial Policy and or Plans on Trade & Investment promotion.

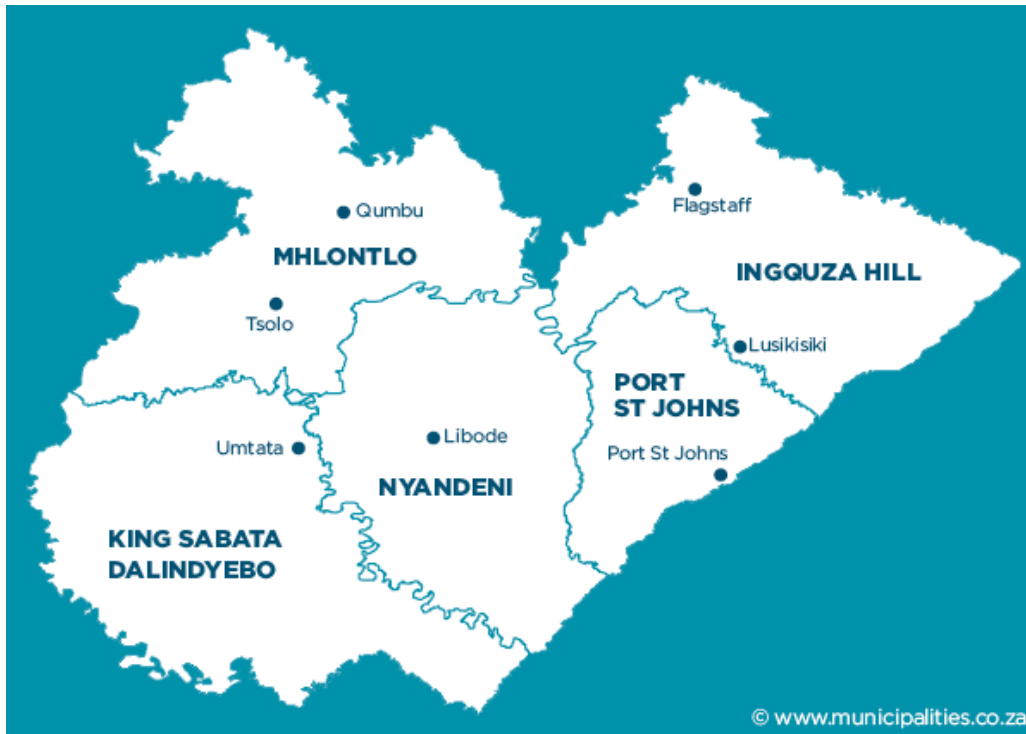
## 2. Purpose

The Municipality seeks to appoint services of a Professional Service Provider to develop a comprehensive and Integrated Trade & Investment Strategy, Implementation Plan and Framework.

### 2.1. Brief Background of Mhlontlo Local Municipality

#### Location and physical attributes

Mhlontlo Local Municipality is a B4 rural Municipality incorporating Qumbu and Tsolo rural towns. It lies on the North East side of the Eastern Cape Provincial border alongside the N2 route between Mthatha and Mt. Frere and R396 between Tsolo and Maclear. It is bordered by King Sabata Dalindyebo Local Municipality to the South, Nyandeni Local Municipality to the East; both under OR Tambo District Municipality, Umzimvubu Local Municipality to the North and Ntabankulu on the North East, both are under the Alfred Nzo District Municipality and Elundini Local Municipality to the West which is under the Joe Gqabi District Municipality. The Municipal departments are located in Qumbu with satellite offices in Tsolo.



Source: <http://www.localgovernment.co.za>

Mhlontlo Local Municipality was established in terms of section 12 of the Local Government: Municipal Structures Act (Act 117 of 1998). As a result of this act, two Transitional Local Council, Qumbu TLC and Tsolo

TLC and their respective Transitional Council were established to form one Municipality-Mhlonlo Local Municipality. It is one of the five municipalities that constitute OR Tambo District Municipality which falls under the Province of the Eastern Cape. The municipal area covers 2,826km<sup>2</sup> and has a population density of 66, 6 people per km<sup>2</sup>.

**Gross Value Added by sector.** The analysis of GVA by broad economic sectors highlights the lack of diversity, and vulnerability of the Mhlonlo economy. In 2015, the community services sector is the largest within Mhlonlo accounting for R 1.78 billion or 44.1% of the total GVA in the local municipality's economy. The sector that contributes the **second most to the GVA of Mhlonlo is the trade sector at 24.3%**, followed by the finance sector with 10.1%. The sector that contributes the least to the economy of Mhlonlo is the mining sector with a contribution of R 19.6 million or 0.49% of the total GVA.

**Comparative advantage.** In 2015, Mhlonlo has a very large comparative advantage in the community services sector followed by the agriculture sector. The trade also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. Mhlonlo has a comparative disadvantage when it comes to the mining and manufacturing sector.

### **3. Scope of Work of the Professional Service Provider**

The Service Provider is expected to perform the following scope of work as the minimum requirements:

- Design, roll out and manage a participatory strategic development process of the Trade and Investment Strategy.
- Conduct a desktop research of Trade and Investment in all sectors in the region and determine the status quo in the Mhlonlo region.
- Develop a clear strategic framework for the Trade and Investment Strategy to improve local economy and the quality of life thus stimulating sustainable livelihoods.
- Identify areas where bankable Trade and Investment opportunities could be unleashed around the region which can offer synergies with other LMs, OR Tambo district, Provincial and National Programmes.
- Packaging of Trade & Investment opportunities for marketing purposes.
- Unlock investment potential to enable the municipality to forge partnerships for investment promotion.
- Develop and present a clear Implementation Plan that is comprised of a set of priority actions and resource mobilization plan underpinning the strategic framework.
- Design clear Monitoring and Evaluation guidelines and indicators that will drive the coordination, management, implementation and tracking of progress (impact) of the Trade and Investment strategy.

In addition to the aforementioned technical tasks, the Service Provider will be required to prepare progress reports and make presentations to the Mhlonlo Local Municipality and its relevant statutory structures, as and when required within the duration of this assignment.

### **4. Submission of Proposal**

Interested parties are expected to submit the following information:

- Integrated technical and financial proposal outlining applicable experience, qualifications and implementation approach/strategy with timelines.
- A concise company profile and contact person responsible.
- Three (3) contactable references on similar projects undertaken within the last 5 years.
- Obligatory company registration documents and tax clearance certificate.

## **5. Qualification Requirements**

The Service Provider must fulfil the following minimum requirements in order to be considered for this assignment:

- Proven technical experience in developing Trade & Investment strategy or crafting and modelling of any viable economic development strategies.
- Extensive Research and Development experience including conducting economic analysis, industrial and sectorial reviews.
- Demonstrate understanding of LED and Rural Development Principles, NDP,PGDP or any other National and Provincial economic development policy planning and regulatory frameworks.

## **6. Project Timelines**

This assignment is not expected to exceed a maximum period of 3 months from the date of appointment.

## **7. Reporting and Accountability**

The successful Service Provider will report to the Director-Local Economic Development Planning and Rural Development (LEDPARD) and any other delegated structures.

## **8. Reference Material**

The Mhlontlo Local Municipality shall provide the successful service provider with the following reference material:

- Council Resolution on institutionalization of TIM (Trade & Investment Mhlontlo) as entity within the municipality
- Draft LED Reviewed Strategy
- SMME/Cooperative Strategy-Mhlontlo Enterprise Development Programme(MEDEP)
- LED Programmes(SAGRIPP, MTOURP)
- Integrated Development Plan
- Spatial Development Framework

## **9. Deliverables**

- Trade & Investment Promotion Strategy
- Trade & Investment Implementation Plan
- Summary Power Point Presentation of the entire Final Draft Trade & Investment Promotion Strategy- Highlighting all the critical aspects of the Strategy.

## **10. Contact Details**

Proposal submissions and all enquiries relating to this assignment shall be directed as follows:

**Trade & Investment Assistant Director-Local Economic Development Planning and Rural Development, Ms Nwabisa Zamangxongo Mgqweto**

- ❖ Telephone Number : 071 640 9897/ 047 553 7060
- ❖ Email Address : [znmqweto81@gmail.com](mailto:znmqweto81@gmail.com)
- ❖ Fax : 047 553 0189

All queries are to be directed to Mr Z. Zipete (LEDPARD Director- 082 520 8553) or Mr M. Nqeketo (LEDPARD D. Director-082 772 2196)



SECTION 3.1: MBD1: BID FOR THE REQUIREMENTS OF THE MUNICIPALITY OF MHLONTLO

TENDER CMMS-YR03-MLHM-2017-18 : DEVELOP A COMPREHENSIVE AND INTEGRATED TRADE & INVESTMENT STRATEGY, IMPLEMENTATION PLAN AND FRAMEWORK.	
CLOSING DATE: 9 NOVEMBER 2017	CLOSING TIME: 12:00

Bid documents, placed in a sealed envelope and clearly marked with the bid number on the outside, may be posted to:

The Tender Box  
Mhlontlo local Municipality  
P.O Box 31  
Qumbu  
5180

or

Deposited in the tender box situated on the Reception Area, Municipal Building, 96 Church Street, Qumbu

Please note:

- Bidders must ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.
- All bids must be submitted on the official forms. Forms may not be retyped.
- This bid is subject to the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract included in this document.
- The successful bidder will be required to fill in and sign a written Contract Form (MBD7).

THE FOLLOWING PARTICULARS MUST BE FURNISHED. FAILURE TO DO SO MAY RESULT IN YOUR BID NOT BEING ACCEPTED.

NAME OF BIDDER:

.....

POSTAL ADDRESS:

.....

.....

STREET ADDRESS : .....

.....

TELEPHONE: AREA CODE: ..... NUMBER.....

FACSIMILE: AREA CODE: ..... NUMBER.....

E-MAIL ADDRESS (IF AVAILABLE):

.....

NAME OF CONTACT PERSON:

.....

CELL PHONE NUMBER OF CONTACT PERSON:

.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? YES/NO

HAS A VALID ORIGINAL OR A VALID CERTIFIED COPY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1) YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR   
(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED? YES/NO (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER .....

DATE.....

CAPACITY UNDER WHICH THIS BID IS SIGNED .....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED .....

DELIVERY BASIS:

Is the delivery period firm?	YES / NO
Period required for delivery after receipt of order (days)	
Is the price (inclusive of VAT) firm?	YES / NO
Discount offered:	Conditional/Unconditional
If conditional, state condition:	
Is offer strictly to specification/terms of reference	YES / NO

If not to specification/terms of reference. Please state deviation(s) if any:  
 .....  
 .....

**BANK DETAILS (IF APPLICABLE):**

BANK NAME:	
BRANCH:	BRANCH CODE:
ACCOUNT HOLDER:	
ACCOUNT NUMBER:	ACCOUNT TYPE:

**OFFICAL STAMP FROM BANK**

.....  
 AUTHORISED BANK OFFICIAL

AUTHORISED ..... SIGNATURE:  
 .....  
 NAME: .....  
 CAPACITY: .....  
 DATE: .....

SECTION 4.1 MBD4: DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state\*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: .....

3.2 Identity Number:.....

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):.....

3.4 Company registration number:.....

3.5 Tax Reference Number: .....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? YES / NO

3.8.1 If so, furnish particulars.

.....

\* MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or (f) an employee of Parliament or a provincial legislature.

3.9 Have you been in the service of the state for the past twelve months? YES / NO

3.9.1 If so, furnish particulars.

.....

3.10 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1 If so, furnish the following particulars:

.....

3.11 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.11.1 If so, furnish particulars

.....

3.11 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES / NO

3.12.1 If so, furnish particulars.

.....

3.13 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state? YES / NO

3.13.1 If so, furnish particulars.....

3.14. Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?

YES / NO

3.14.1 If yes, furnish particulars:.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number	Income Tax Number

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

SECTION 4.2 MDB 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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, 2011.

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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 R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to not exceed R1 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	MAXIMUM OF 20
Total points for Price and B-BBEE must not exceed	100



- 1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a valid original or a valid certified copy of a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.5 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

- 2.1 "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 "B-BBEE status level of contributor" means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 "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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 "comparative price" means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 "consortium or joint venture" 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;
- 2.8 "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 "EME" means any enterprise with an annual total revenue of R5 million or less.
- 2.10 "Firm price" means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise

duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 “functionality” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 “non-firm prices” means all prices other than “firm” prices;

2.13 “person” includes a juristic person;

2.14 “rand value” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;

2.15 “sub-contract” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.16 “total revenue” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 9 February 2007;

2.17 “trust” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.18 “Trustee” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (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 (80/20 system)
1	20
2	18

3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution:..... = ..... (maximum of 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of firm : .....

9.2 VAT registration number : .....

9.3 Company registration number : .....

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety

- Close corporation
  - Company  
(Pty) Limited
- [TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated .....

Registered Account Number .....

Stand Number .....

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS? .....

9.9 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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. ....

.....  
SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

ADDRESS:.....

.....

.....

.....

SECTION 4.3: MUNICIPAL RATES AND SERVICES

Names of Directors/Partners/Senior Managers	Physical residential address of the Director/Partner/Senior Manager	Residential Municipal Account number(s)	Name of Municipality

NB: Please attach copy/copies of Municipal Account(s)

DECLARATION

I, THE UNDERSIGNED (NAME) .....

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

SECTION 4.3: AUTHORITY FOR SIGNATORY

We, the undersigned, hereby authorize Mr / Mrs ..... acting in his/her capacity



as ..... of the business trading as ..... to sign all

documentation in connection with Tender .....

NAME OF MEMBERS / DIRECTORS	SIGNATURE	DATE

Note: If bidders attached a copy of their Authorised Signatory is it not necessary to complete this form.

SECTION 4.5: MBD8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	<p>If so, furnish particulars:</p>		

4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) .....CERTIFY THAT THE

INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

SECTION 4.6 MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. Cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_  
that: (Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

(a) has been requested to submit a bid in response to this bid invitation;

- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. 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 consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.
10. 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

<sup>3</sup> 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.

**SECTION 5: DECLARATION**

1. I hereby declare that I have read, understood, agree and comply with all of the sections below, if included, that it shall be deemed to form and be construed as part of this agreement:

- (i) Bidding documents, viz
  - Invitation to bid;
  - Tax clearance certificate;
  - Pricing schedule(s);
  - Technical Specification(s);
  - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations, 2011;
  - Declaration of interest;
  - Declaration of bidder's past SCM practices;
  - Certificate of Independent Bid Determination
  - Special Conditions of Contract;
- (ii) General Conditions of Contract; and
- (iii) Other (specify)

2. I confirm that I am duly authorised to sign this document.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2.	.....
DATE: .....	

**SECTION 6: CONTRACT FORM: PART 1 (TO BE FILLED IN BY THE BIDDER)**

BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2) MUST FILL THIS FORM IN DUPLICATE. BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

1. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations, 2011;
    - Declaration of interest;
    - Declaration of bidder’s past SCM practices;
    - Certificate of Independent Bid Determination
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
2. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.  
 I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
  
3. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.



4. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
3.	.....
DATE: .....	

SECTION 6: CONTRACT FORM: PART 2 (TO BE FILLED IN BY THE PURCHASER)

- I..... in my capacity as.....  
accept your bid under reference number 131/2012 dated.....for the supply of  
goods/works indicated hereunder and/or further specified in the annexure(s).
- An official order indicating delivery instructions is forthcoming.
- I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
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4. I confirm that I am duly authorized to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

	<p>WITNESSES</p> <p>1. ....</p> <p>2. ....</p> <p>DATE .....</p>
--	------------------------------------------------------------------

OFFICIAL STAMP